

LEGISLATIVE ASSEMBLY OF MANITOBA
Friday, 21 March, 1980

Time: 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Before we proceed, I should like to draw the honourable members' attention to the gallery, where we have some students from Grades 6 to 9 standing from the Mary Mound School, under the direction of Mr. Hutcheson. This school is in the constituency of the Honourable Member for St. Johns. On behalf of the honourable members, we welcome you this morning.

Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Member for Radisson.

MR. ABE KOVNATS: Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report same and asks leave to sit again.

I move, seconded by the Honourable Member for Dauphin, that report of Committee be received.

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I would like to table the Annual Report of 1978-79 for the Department of Economic Development.

MR. SPEAKER: Notices of Motion . . .

INTRODUCTION OF BILLS

HON. GERALD W.J. MERCIER (Osborne) introduced Bill No. 18, An Act to amend The Surveys Act.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): Mr. Speaker, my question is to the Minister responsible for Housing. Some questions were asked a couple of weeks ago pertaining to moneys being provided to the Non-Profit Housing Corporation, City of Winnipeg, and the Minister at that time indicated that he had it under review. We note that announcement has been made by the Minister. I would ask the Minister if he would elaborate insofar as the amount of the funding and whether or not that funding is provincial or federal.

MR. JOHNSTON: Mr. Speaker, first of all, the funding is provincial and the details of it is that it is a commitment of \$1 million over a five-year period to the City of Winnipeg Rehabilitation Housing Corporation. The moneys will be used by the corporation. We have a member of the Manitoba Housing Renewal Corporation on the board.

We also have extended to them the HOAP program, Home Owners Assistance Program. If the corporation purchases a house and rehabilitates it, they can use

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the HOAP program. That means that it doesn't limit only people with a lot of funds to being able to purchase that house because our HOAP program will take effect and if the corporation rehabilitates a house and they decide to rent it, we would then, if they make application to the Manitoba Housing Renewal Corporation, the board will consider the rental subsidies, the same as we do in our own units, which is rental income.

MR. SPEAKER: The Honourable Member for Kildonan.

MR. PETER FOX: Thank you, Mr. Speaker. My question is directed to the Minister of Consumer and Corporate Affairs. Just recently there was a Supreme Court decision in respect to the regulations on food and the Minister indicated that the province would have to be looking at filling the gap in respect to regulations. Can the Minister indicate what has been done to date, if anything?

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

HON. WARNER H. JORGENSEN (Morris): Well, Mr. Speaker, there seems to be still some uncertainty as to just what the federal regulation provides for. Our officials are looking into the matter to determine if there is any need for the provincial government to move into this area. At this point, it is not yet determined.

MR. FOX: Yes, Mr. Speaker. In view of the fact that the Minister is still trying to get a legal interpretation, is he indicating that his officials still have not made a decision in respect to the particular case that was already brought before the courts and, in view of the fact that the federal department has decided not to prosecute in respect to ground beef additives, will he not consider looking at that, because it leaves the consumer at the mercy of the retailer?

MR. JORGENSEN: Yes, Mr. Speaker, we are looking at all aspects of this particular situation.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. JUNE WESTBURY: Thank you, Mr. Speaker. My question is to the Minister of Health, and I am referring to the Council on Aging, which he has announced the appointments, and would he tell us whether the chairmanship of that council is considered a full-time position and what the salary is, please?

MR. SPEAKER: The Honourable Minister of Health.

HON. L.R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, it is not a full-time position. The chairman is the matron of the Sandy Lake Nursing Home in Sandy Lake, Manitoba, and will be continuing in that capacity. I can't advise the honourable member as to what the salary is at the present time, but I will inform the House when those rates are established.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. WESTBURY: On another matter, Mr. Speaker. On the 7th of March, I asked a question of the Minister of Finance and perhaps he or the Minister of Consumer and Corporate Affairs could answer me now, if they have the information. This refers to a statement by the Minister of Consumer and Corporate Affairs to the Morris-Macdonald School Board in January to the effect that houses in rural towns and in the country should be levied for education taxes and I asked at that time if, in view of the silence of the chairman of the Assessment Review Commission, whether this is a statement of policy on the part of the government and, if so, when they would be making that announcement?

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

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MR. JORGENSON: Mr. Speaker, I met with Morris-Macdonald School Board on another matter and this subject just came up in the course of our conversation and, as my honourable friend may or may not be aware, the subject of taxation of farmland for education purposes is a subject that is of great concern to people in the rural areas, and we were just discussing this question generally and I mentioned that one of the ways in which, perhaps, this matter could be dealt with was a change in the assessment for education purposes. It was not a statement of government policy; it was simply a statement that was made in course of the conversation with the officials of the Morris-Macdonald School Division.

While I'm on my feet, Mr. Speaker, I would like to respond to a question that was asked to me the other day by the Member for St. Johns with regard to the FLIP Program and whether, I believe his question was to the effect of whether or not there were sufficient safeguards under The Mortgage Brokers and Mortgage Dealers Act to handle that particular situation.

I've handed my honourable friend a somewhat lengthy and detailed answer to that question, but for the record I would like to just put a portion of that on the record so that my honourable friend will know that the question has been answered.

Our department staff are of the opinion, having reviewed the disclosures required under The Mortgage Brokers and Mortgage Dealers Act, that it would be advisable to require that some additional disclosures be made to a FLIP mortgage borrower to ensure that there is no possibility of misunderstanding. The registrar, under The Mortgage Brokers and Mortgage Dealers Act, would pursue this matter. The additional disclosure might be arranged on a voluntary basis if that can be done satisfactorily; otherwise, any supplementary disclosure deemed desirable will be provided by way of new regulation.

MR. SPEAKER: The Honourable Member for Fort Rouge with a final supplementary.

MRS. WESTBURY: Yes, still referring to my previous question, Mr. Speaker, I wonder if the Honourable Minister of Consumer and Corporate Affairs will be making his recommendations to the Assessment Review Commission.

MR. JORGENSON: I feel it will not be necessary for me to do that, Mr. Speaker. That is the recommendation that has already been made by many of the municipalities throughout this province.

MR. SPEAKER: The Honourable Member for St. Johns.

MR. SAUL M. CHEKRNIACK: Thank you, Mr. Speaker. I want to thank the Honourable Minister not only for his statement today but for the memorandum which he sent me, I think it was two days ago, dealing more extensively with the problem of the proposal for FLIP mortgaging.

In view of the Minister's statement to the effect that his department does believe that it is advisable to require additional disclosure, and in view of the fact that it has been announced that the mortgage companies are actually proceeding with this type of loan, and in view of the fact that it has already been revealed in his own department that certain finance companies have been in breach of The Mortgage Brokers Act at the expense of customers or consumers, does he not believe that there is an urgency involved in making sure that people are properly notified of their rights and of the implications and ramifications of a new program which is already in place?

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

MR. JORGENSON: Mr. Speaker, yes, I agree with my honourable friend and we are undertaking to ensure that a wide public circulation of this particular material is made at the earliest possible date.

MR. CHERNIACK: Yes, Mr. Speaker. In view of the fact that this type of program is not limited only to the two firms that have announced their intention

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to proceed, would it not be foolhardy to expect voluntary information being disclosed when his department actually believes that it is advisable to require this additional disclosure? Would it not be better to proceed by way of regulation immediately, rather than hope for voluntary participation by, as yet probably unknown, potential lenders?

MR. JORGENSEN: Mr. Speaker, I'd be happy to communicate my honourable friend's suggestion to the Director of the Securities Commission and ask him to act upon it.

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. SAUL A. MILLER: Mr. Speaker, to the Minister responsible for Housing. Further to his announcement this morning, or statement, I was wondering about that \$1 million; is this an honouring of the commitment made back in 1976-77 by the province to the City of Winnipeg, if they started a non-profit housing corporation? That's one question.

The other is: Is that money really needed now in the light of changes in CMHC financing of Non-Profit Housing Corporation?

MR. SPEAKER: The Honourable Minister of Economic Development.

MR. JOHNSTON: Mr. Speaker, we honoured the commitment. I believe it was nearly a year ago now when we made a commitment to the city. Now the city decided, in their wisdom, not to go into the Non-Profit Housing Corporation, or Rehabilitation Corporation.

Subsequently, the City Council changed its mind last fall and decided they would have a corporation, and the city made representation to the province, the Mayor and the committee, asking if we would consider being part of the corporation as we had suggested we would previously. It was considered by the government and it was decided that we would participate in the rehabilitation program.

Yes, I know that the member is referring to the non-profit housing program of the federal government, which we participate in. But at the present time, Mr. Speaker, CMHC funds for 1980, are completely committed, and we do believe that the rehabilitation of core housing in Winnipeg is something that's a necessity.

MR. MILLER: Well, Mr. Speaker, I gather from the announcement it's \$1 million over five years, which is \$200,000, and therefore I really can't see how that, in itself, will do anything.

My question is, has the federal program today not been changed since 1977 to the extent that federal funding will in fact cover 100 percent of the capital required through a loan and that the moneys from the provincial government may not in fact be paid at all unless they simply bypass the federal government?

MR. JOHNSTON: As I said, Mr. Speaker, the federal funds for their non-profit program or completely filled up for 1980, that we will . . . the non profit or the corporation, the city's corporation, could make application but they won't be able to do anything this year. We believe that we should help the city get started, and that the core area needs that help.

MR. SPEAKER: The Honourable Member for Seven Oaks with a final supplementary.

MR. MILLER: Yes, thank you, Mr. Speaker. In that case, Mr. Speaker, even though the province may in fact advance some moneys to the cities this year, to the one-fifth of a million dollars, that's \$200,000 dollars, that in 1981 federal funds will be available and, at that point in time, federal funds will be adequate to meet the needs of the City of Winnipeg in their program.

MR. SPEAKER: The Honourable Minister of Economic Development.

MR. JOHNSTON: Not necessarily, Mr. Speaker. The federal funds are used for the whole of Manitoba and the funds that may be committed to the core area

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might not be enough if the Province of Manitoba says that we will work with the City of Winnipeg to help rehabilitation in the core areas.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I would like to direct a question to the Minister of Natural Resources. Can the Minister confirm that the suggested increase in the Garrison Diversion by some type of memorandum of understanding between the State of North Dakota and the government of the United States is not an indication that there is a present intention to go ahead with an expanded program?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. BRIAN RANSOM (Souris-Killarney): That is my understanding, Mr. Speaker, that in fact the rumour arose out of what reportedly has been a typographical error. It's probably one of those typographical errors that has caused more or fewer than the average typographical error. I certainly will want to continue to pursue the subject until we are completely satisfied of the origination of the rumour and, when I am completely satisfied to that extent, then I will report to the House.

MR. GREEN: Yes, Mr. Speaker, a supplementary question with respect to the government's position vis-a-vis the Garrison Diversion. Can the Minister assure the House that insofar as the people of Manitoba are concerned, as citizens of Manitoba and as citizens of Canada, the position on the Garrison will be taken by their elected representatives, by their governments, and not be delegated to well-meaning but self-appointed groups who are not responsible to the people of the Province of Manitoba?

MR. RANSOM: Yes, Mr. Speaker, we as the elected government of the province have a responsibility in the management of our resources and the protection of the interests of Manitoba and we will discharge that responsibility.

MR. SPEAKER: The Honourable Member for Inkster with a final supplementary.

MR. GREEN: Yes, Mr. Speaker, can the Minister further assure us that the government of Canada's position and the government of Manitoba's position will not be complicated or compromised by any suggestion that we are involved in court proceedings or supporting court proceedings or backing court proceedings or financing court proceedings in the United States, which would put us within the jurisdiction of those courts and then result in our claim or any rights we have being decided by an American court, contrary to the wishes of the government of Manitoba and the government of Canada?

MR. RANSOM: Yes, Mr. Speaker, I give the honourable member that assurance.

MR. SPEAKER: The Honourable Minister of Labour.

HON. KEN MacMASTER (Thompson): Mr. Speaker, I was asked a question as it related to the humping procedure that takes place in the Symington Yards. The term "hump", in this particular case, relates to one large track at the bottom of the hill of which there is 60 off-shute tracks connected to the main track. Each one of the 60 represents a destination on the route to Vancouver. To assemble a train, the required cars are let down the hump, a computer automatically judges the speed of the car, the wind, the temperature, etc. to adjust the tracks so that the cars speed do not exceed three miles per hour at the bottom of the track. Once cars reach the bottom, it's automatically switched into the appropriate destination track. The cars, once they're in the right destination track, they're assembled, and cars can be dropped off. Those that are to be dropped off first come to the end of the train track. Procedures on this humping business is in the material that I have given to the Member for St. Vital. Basically, it says that

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in humping liquid propane gas cars, the car has to be switched into its destination track before another car can be sent down the hill.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I'd like to direct a question to the Minister of Consumer Affairs, and ask him why the Winnipeg Inter-City Gas Limited recently received an approval from the Manitoba Public Utilities Board earlier this month for an increase in gas rates of some 7 percent, in view of the fact that they doubled their profit for the last fiscal year.

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

MR. JORGENSON: It's one of those questions, Mr. Speaker, that I believe should be directed to the Public Utilities Board, but since I'm the Minister responding in the House to that particular question for that particular board, I will have to make some inquiries. I suspect that the evidence that was presented before the board was such as to enable the Public Utilities Board to make that particular decision.

MR. DOERN: Mr. Speaker, I would ask the Minister whether we can now assume, in view of high profits and an additional increase forthcoming, that there will be no increase in the price of natural gas for the next one to two years.

MR. JORGENSON: I wouldn't want to encourage my honourable friend to make any assumptions. That will remain the decision of the board when applications are placed before it.

MR. SPEAKER: The Honourable Member for Elmwood with a final supplementary.

MR. DOERN: Mr. Speaker, I would ask the Minister whether there is a provincial position or posture on natural gas prices in regard to an overall provincial energy policy; if so, what is it?

MR. JORGENSON: It's my understanding that there is but I believe that I would prefer to have my honourable friend and colleague, the Minister responsible for Energy, making that statement.

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, on that question, the stated position of the province by the First Minister at the November Energy Conference was that the price of natural gas should not be tied to the price of oil, and we have maintained that position at that point and have since made every effort to drive it home in the discussions that have gone on on the pricing of natural gas.

MR. SPEAKER: The Honourable Member for Rossmere.

MR. VIC SCHROEDER: Thank you, Mr. Speaker. My question is for the Minister of Education, following up on my question of several days with respect to the meeting between the Minister of Education and the Winnipeg School Board, which I understand will be taking place today. Can the Minister advise the House as to whether the matter of the 2,000 truants in Winnipeg No. 1 has now been placed on the agenda of that meeting?

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): Mr. Speaker, in the brief that I have received from Winnipeg No. 1, that particular topic is only alluded to but I can assure the member that in the general discussion that we will be having on the brief that that topic will be treated.

MR. SPEAKER: The Honourable Member for Rossmere.

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MR. SCHROEDER: Thank you, Mr. Speaker, a question for the Attorney-General. In view of the fact that we do have apparently approximately 2,000 children who should be in school legally in Winnipeg No. 1 who are not in school, I am wondering whether the Attorney-General's department can do something in order to ensure that this juvenile delinquency does not continue and to ensure that the government is not, by its failure to do anything, contributing to this juvenile delinquency?

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, my understanding of that matter is that the Minister of Education, through his department, took some positive steps to improve that situation during the past year. With respect to the involvement of my department of my department in this matter, I will take the question as notice and make some inquiries, Mr. Speaker.

M. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. SAMUEL USKIW: Mr. Speaker, I would like to ask the First Minister, given the fact that a number of Premiers and former Prime Ministers in this country have had trust funds established for their benefit, could the Minister indicate to the House whether or not there is such a trust fund established for the purpose of providing supplementary income to him, over and above his MLAs and Premier's salary at the present time?

MR. SPEAKER: The Honourable First Minister.

HON. STERLING R. LYON (Charleswood): Mr. Speaker, I don't know if that falls within the purview of being a matter of public interest at Question Period but I am quite happy to tell my honourable friend that I am not aware of any such fund and am not the recipient of any benefits from such fund, maybe I should say unfortunately.

MR. USKIW: Well, Mr. Speaker, can the Premier indicate if such a fund exists for the purpose of providing future benefits to him?

MR. LYON: Certainly not to my knowledge, Mr. Speaker. If he would like to establish such a fund and make the initial contribution, I am sure there would be a consistent salary.

MR. SPEAKER: The Honourable Member for Lac du Bonnet with a final supplementary.

MR. USKIW: Mr. Speaker, I would like to ask the Minister of Finance whether his department is going to do something about the problem of his department asking various people throughout the province for refunds on 1978 property tax rebates. This has to do with couples who were married in that year and apparently the interpretation of the department is that one of them is only entitled to a property tax rebate.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Well, Mr. Speaker, there has been no change in the practice. If there is a problem that is particular to the Member for Lac du Bonnet or a constituent that has made enquiry, I would be glad to look into it. But there has been no change in practice in this regard.

MR. USKIW: Well, Mr. Speaker, there have been numerous inquiries. Apparently this is something that has just arisen very recently and it appears the department is asking for refunds from those people who were married in that year and therefore they are now proceeding to disallow them both their property tax rebate claims, on the basis that they are a married couple, notwithstanding the fact that for a portion of the year they were not married.

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MR. CRAIK: Well, Mr. Speaker, again if the member would wish to advise me further on it, I can inquire into a particular case, but only one rebate is allowed by one income tax payer. If he is referring to someone who is receiving the rebate through the income system or directly through property tax, there is only one rebate per dwelling unit going back to, as the case is, to the person with the highest taxable income.

MR. SPEAKER: The Honourable Member for Lac du Bonnet with a final supplementary.

MR. USKIW: Mr. Speaker, I am certain the Minister is aware of the section under which this falls, when it states that in the taxation year, a principle taxpayer and his spouse may occupy and inhabit separate residence but may only claim one rebate. But my example is the situation where people get married in a given year and the interpretation is then followed under this section, which denies one of them their rightful rebate, given the fact that they have been living alone for a good portion of the year.

MR. CRAIK: Well, Mr. Speaker, we're perhaps having some difficulty isolating the right question. I think the question - and am I correct in interpreting the question - is it that the regulations are now being enforced? Because there has been no change. If that was not being done before, I can inquire as to whether it was or wasn't being done before, but I can assure the member that there has been no change. If in fact refunds are being asked for now, it may be just that refunds are being asked for in a circle of acquaintanceship with which the member is familiar and it may have been going on all the time; I suspect it has been.

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Mr. Speaker, I was asked to get the amount of money that was involved for legal fees as it related to the Mr. Doug Duncan situation. It was \$855.20.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, I would like to pose some questions to the Minister of Labour and he may wish to take these questions as notice. On November 17, 1978, the Minister of Labour issued a news service release indicating that a seminar had just been concluded pertaining to the identification and handling of transportation accidents involving dangerous goods. The question to the Minister is whether or not, at that three-day seminar which was held in the latter part of 1978, whether same included training pertaining to the handling of vinyl chloride.

MR. MacMASTER: That particular conference that was held was held in Brandon, I believe. It's one of several that are put on by people that I am responsible for. It's meant to deal with hazardous chemicals that are worked with occasionally in the workplace in Manitoba, and I am not sure if vinyl chloride is used in the Province of Manitoba, so I doubt very much, Mr. Speaker, if that particular product would have been discussed at that time.

MR. PAWLEY: Mr. Speaker, further to the Minister of Labour, the news information release indicates the identification and handling of transportation accidents involving dangerous goods. If he hasn't the information this morning, would he advise whether or not at that meeting any procedures were established by him, as Minister or by his department, pertaining to the dealing with such accidents as the one at MacGregor, including the wearing of protective apparel.

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Well, the words that the Leader of the Opposition has chosen are pretty definite when he says, as it relates to a situation similar to

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the MacGregor one. I don't think the Leader of the Opposition wants to go through the debate of what jurisdiction that is.

I don't know precisely the terms of that particular conference, but it certainly wouldn't, I don't believe in any way, shape or form, Mr. Speaker, have dealt with transporting of goods on CN property which is federal jurisdiction.

MR. PAWLEY: Mr. Speaker, I would refer the Minister and ask him to accept as notice the news service release of November 17, 1978, which is quite precise as to the terms of reference of the conference which was sponsored by the Minister, December 2 to December 4, 1978, and pertaining to dangerous goods being moved by all modes of transportation increasing each year; the potential for accidents involving such goods is on the rise.

MR. SPEAKER: Orders of the Day. The Honourable Member for St. Vital.

MR. D. JAMES WALDING: Mr. Speaker, my question is for the Honourable Minister reporting for Manitoba Hydro.

A couple of weeks ago he took as notice a question from me regarding the signing of an employment contract with the Chief Executive Officer of Hydro and the corporation. Is he now in a position to report to the House?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, I did enquire as to the question and at the time of the enquiry there were some details on the contract that had not been completed. They may well be completed at this point in time so I can't answer it specifically. I can answer that it wasn't at that time, I suspect it is by now.

With regard to I think what was the second part of his question of whether or not the contract would be tabled, I think the basic information would be made available and perhaps in recognition of the fact that the Crown corporations do report through the Public Utilities Committee, that that would probably be the appropriate place if the member wanted to question the Chairman of the utility, with regard to any matters internal to the utility. But certainly, in overall terms, I would think that the basics of the contract probably already have been indicated publicly and he may wish to pursue it further at that time.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Thank you, Mr. Speaker. My question is directed to the First Minister.

I wonder if he or a designate of his government would undertake to meet with the Manitoba Minister and the Federal Cabinet to determine if that Minister's commitment to railway relocation in Winnipeg is as strong and sincere after the federal election as it was before the federal election.

MR. SPEAKER: Order please. Order please. I think that falls beyond the purview of this House.

The Honourable Member for Transcona.

MR. PARASIUK: Point of order, Mr. Speaker. Yes, Mr. Speaker, since railway relocation is in fact of great importance to Manitoba, especially in view of the fact that both mainline railways which carry hazardous goods go directly through Winnipeg and there are no alternative bypass routes, I think this matter of railway relocation is of great importance to Manitoba and Manitoba's role in trying to influence the federal government to provide sufficient funds to see that it happens is of very prime importance to the Manitoba Legislature and certainly falls within its purview.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I have no problem in attempting to respond to my honourable friend because I happen to agree that the subject is one that we will

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probably be debating sometime during the course of Estimates of the Department of Urban Affairs, or other departments during this session.

I think his question is a valid question, Mr. Speaker. And I think that that determination as to the feelings of the federal government, the new federal government with respect to relocation, will have to be tested by the City of Winnipeg and by the Province of Manitoba in the light of previous statements made by some of their spokesmen out of office and prior to their being out of office on previous occasions.

They are clearly on the record with respect to this matter and we look forward, along with the honourable member, to ascertaining what their actual policy will be now that they are back in office and in a position of having to fulfill their obligations.

MR. SPEAKER: The Honourable Minister of Economic Development.

MR. JOHNSTON: Mr. Speaker, I was asked a question by the Member for Ste. Rose regarding Rorketon, Manitoba.

The Manitoba Housing and Renewal Corporation was satisfied that the need existed in Rorketon and there are two duplexes, four units of senior citizens accommodation approved for there.

The units are built, one was built in Camperville and is ready; the other built in MacGregor and is ready.

The reason for the delay is, we advertised for the foundations for those two units last fall and the tenders came in at a total of \$41,685 per unit for the foundations. The board decided that this was a higher price than we should be paying and it was decided that it would be held over till the spring. The tenders are out again on that and on November 20th, Duncan McLure, the secretary-treasurer of the Rural Municipality of Lawrence was informed.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. A.R. (Pete) ADAM: Yes. I just want to thank the Minister for his in depth reply. I'm sure the people of Rorketon will be very very pleased to hear his comments.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Thank you, Mr. Speaker. I'd like to address a question to the Minister of Finance, responsible for energy policy in the province and ask the Minister whether it is still Manitoba's position to support the province of Alberta in seeking larger oil price increases.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, the Manitoba government's energy policy has been addressed on a number of occasions in the House by the First Minister and I think perhaps even the same question has been addressed.

The policy of the Manitoba government is not in support of the energy policy of Alberta or the energy policy of Saskatchewan.

The energy policy of the Manitoba government with respect to oil is one that has been clearly stated - was stated last November, still remains - a goal of self-sufficiency, not tied to world price, but tied to self-sufficiency.

Mr. Speaker, the position with regard to natural gas is that natural gas should not be tied to oil, that it should be released from the BTU equivalency formula of 85 percent that it was tied to before and that we should see oil prices adjust as required for self-sufficiency, but gas prices be unleashed.

MR. EVANS: Mr. Speaker, a supplementary to the Honourable Minister. Will the Honourable Minister assure the House then that the province of Manitoba will actively oppose any increase sought by the province of Alberta?

MR. SPEAKER: The Honourable First Minister.

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MR. LYON: Mr. Speaker, we are in a stage of repetition because my friend, the Leader of the Opposition was asking this same series of what I described then, as frivolous questions about two weeks ago.

The questions are equally frivolous now, even more so because in the intervening period I sent to the Leader of the Opposition a copy of the statement delivered by the province of Manitoba at the Energy Conference on November 12, 1979.

I say now to my friend from Brandon East, if he will read that document he will be better informed than he obviously was when he asked the question.

MR. EVANS: Mr. Speaker, I'll try to find the document and read it. But I'd like to ask the First Minister categorically, can he categorically assure the people of Manitoba that he will finally begin to protect their interests and oppose any and all oil price increases asked by the province of Alberta?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, my honourable friend can continue to ask all of the rhetorical questions that he wishes, continue his sloganeering --(Interjection)-- My honourable friend, the Leader of the Opposition couldn't fight his way out of a wet paper bag so he could hardly hurt me.

Mr. Speaker --(Interjection)-- My honourable friend obviously needs some more intelligence but if he'll let me get on with my answer, I'll be quite happy to give it to him, Mr. Speaker.

We can give the assurance, as we said in our energy statement, Mr. Speaker, on the 12th of November, that we will continue to advance those policies in the general energy field that are in the public interest for all Manitobans and for all Canadians. And that does not mean slavishly following some sloganeering type of approach that is made by the National Leader of the NDP and other people who are not properly interested in the development of self-sufficiency of oil in Canada. And may I add, Mr. Speaker, that in the overall field of energy in this province, the hydro-electric energy is an important one. We have seen demonstrated the lack of competence of my honourable friends opposite in that field, so they are hardly in a position to talk about energy policy to this government or anybody else.

MR. SPEAKER: The time for Question Period having expired, proceed with Orders of the Day.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, I first of all advise the members that the Rules Committee will meet next Tuesday at 10:00 o'clock.

Mr. Speaker, I move, seconded by the Minister of Government Services, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply, with the Honourable Member for Radisson in the Chair for the Department of Natural Resources and the Honourable Member for Virden in the Chair for the Department of Highways and Transportation.

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY - HIGHWAYS & TRANSPORTATION

MR. CHAIRMAN, Mr. Morris McGregor (Virden): Call the committee to order. We're on Resolution 87, 8.(a)--pass.

The Member for Churchill.

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MR. COWAN: Yes, perhaps if we could just have an outline of where the money is going in 8.(a), the \$1,500,000 to which cities, towns and villages, if we could have that in written form if it's easier to do that, but at some point if we could be advised of that.

MR. CHAIRMAN: The Honourable Minister.

MR. ORCHARD: Well, Mr. Chairman, the \$1.5 million is going to be expended this summer and this appropriation is, as it says, Aids to Cities, Towns and Villages on the grant need 50-50 street, such things, and we don't have the program outlined because we haven't received the requests by Council resolution as of yet. We will be receiving the requests over the next, let's say, six weeks to ten weeks, that is when the program is officially laid out.

MR. CHAIRMAN: The Member for Churchill.

MR. COWAN: Thank you, Mr. Chairperson. Perhaps then, we could have a breakdown of where the moneys were spent last year, and some indication from the Minister if he anticipates any major changes in expenditure this year.

MR. ORCHARD: In terms of total dollars, we are guesstimating approximately, well, about \$1,230,000 of the \$1.3 million of this year's appropriation, that was as of January 30th. Now, we may have additional projects requested and approved since that. The projects - there are 71 different communities throughout Manitoba which receive amounts varying from, oh, I guess, \$190,000 in one instance, down to a low of, I suppose \$225 is the low. There are 71 projects all told.

MR. COWAN: Would it be possible then, Mr. Chairperson, at some point in the proceedings to have a list provided to the opposition of those particular projects and the dollars spent on each one?

MR. ORCHARD: Yes, I'll photostat that for you.

MR. CHAIRMAN: The Member for The Pas.

MR. McBRYDE: Yes, Mr. Chairman, maybe the Minister has answered this question before, but I was away in The Pas yesterday, so I'm not sure. Whereabouts in the Budget is assistance for Local Government Districts, does that come in another section or is this part of this section we're dealing with, Maintenance?

MR. ORCHARD: Mr. Chairman, it's Appropriation No. 5, Work in Unorganized Territory for Local Government Districts.

MR. McBRYDE: Yes, Mr. Chairperson, the other question was that the information I asked for the other day, I wonder if the Minister put that in the record or whether he wants to hand me something now, in terms of traffic counts.

MR. ORCHARD: We'll probably have that ready for this afternoon, I believe, Mr. Chairman.

MR. CHAIRMAN: 8.(a). The Member for Ste. Rose.

MR. ADAM: I wonder if the - well, pass (a), will you?

MR. CHAIRMAN: 8.(a)--pass; 8.(b)--pass.
The Member for St. George.

MR. URUSKI: Yes. Mr. Chairman, could the Minister indicate specifically whether or not Aids to Cities, Towns and Villages, whether aids to reserve communities would be included in that section in terms of specifically building ac-

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cess roads to community centres, whether there are funds appropriated under that appropriation or not?

MR. ORCHARD: No, Mr. Chairman. That will come under 5.(a).

MR. URUSKI: It would have come under 5.(a)? I happen to have been yesterday in the Civil Service Estimates, Mr. Chairman. I wanted to know whether or not, specifically in terms of assistance to the Lake Manitoba Reserve, whether in your program, which would not be part of the Highways Program, agreement has been reached, I know that agreement has been reached between Indian Affairs and the band to provide the necessary surveys and culverts and land clearing in terms of providing the access road from PR. 235 to the community. I was advised late last night that the Department of Indian Affairs are prepared to contribute their share of the construction costs which amount to somewhere in excess of \$100,000, whether or not there is room in the current assistance programs, because it's a global budget, to provide that kind of flexibility if the federal department of Indian Affairs is prepared to cost share their fifty percent, whether the Province of Manitoba will be prepared to do their cost sharing and do the construction of the road that's been in negotiation stages for the past three years.

MR. ORCHARD: Well, Mr. Chairman, the department advises me that to date we haven't got official communication by the federal government that there is some hundred thousand dollars or the figure mentioned by the member allocated, but that project was started last year and will be ongoing as federal cost sharing proceeds.

MR. URUSKI: In other words, the Minister indicates that if the Department of Indian Affairs, federal government, do come up with their fifty percent cost sharing I think as is the normal agreement with these kinds of roads, the province would be prepared to go ahead. Is that the issue?

MR. ORCHARD: That is correct.

MR. URUSKI: Thank you.

MR. CHAIRMAN: 8.(b)--pass. The Member for Churchill.

MR. COWAN: Thank you, Mr. Chairperson. I just ask the Minister if he would outline the total mileage this year and the communities that are being serviced and if he could at the same time give us the total mileage last year and the year before and indicate if there are any changes in the number of communities being serviced by winter roads and if so, which communities have been either added to the system or dropped from the system during the past year and which ones he would anticipate being added or dropped during the upcoming year.

MR. ORCHARD: The mileage that was put out on winter roads this year was 791 miles. Just hold a minute; I may have given a wrong figure here. Mr. Chairman, I stand corrected on 1979-80; this year's Winter Road Program is 727 miles, not 791 miles as I indicated.

MR. CHAIRMAN: The Member for Churchill.

MR. COWAN: Thank you, Mr. Chairperson. Then we would see a fair size drop from the previous year to this year that would equal 64 miles of winter road. I'd ask the Minister if he can indicate what communities are not being serviced this year that were serviced last year, to account for that drop, or is that due to realignment of the winter road system, thereby cutting down mileage, yet maintaining the same number of serviced communities. Could he indicate why the discrepancy between this year and the previous year exists?

MR. ORCHARD: We had a road that was funded in 1978-79 in the vicinity of The Pas to the Saskatchewan border which, by my information, has been dropped. Garden Hill to Red Sucker Lake was not funded this year, with the exception of the

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\$13,215 commitment that we made in conjunction with the federal government, which was after the program was drawn up.

MR. COWAN: Can the Minister then indicate how much money was spent on the Garden Hill to Red Sucker Lake winter road addition last year? He indicated this year the provincial government is putting in \$13,000.00. I understand there's other government agencies that are putting in money to enable that road to be built, but I would appreciate some figures as to the savings that the government anticipated on not extending the road into Red Sucker Lake this year.

MR. ORCHARD: Last year, we contributed \$10,000, but now it's part and parcel of 727. You see, I didn't think that we had included 791 miles last year, the Red Sucker Lake road, which we did; and adding that one back in because it is funded again this year, our mileage is up to 789, not the 727 that I indicated earlier. This year we have offered a commitment of up to \$13,215 on that and we haven't flowed any cash to that as of yet.

MR. COWAN: Thank you, Mr. Chairperson. If I understand the Minister correctly then, last year the provincial government funding on that particular section of road was \$10,000 and this year it's \$13,250.00. I would ask the Minister if there is any effort on government's part or any intention on the government's part to include the Red Sucker Lake road into the network so that each year we don't have to go through this particular problem of trying to decide whether or not the road will be funded and thereby the community is unable to make plans as to shipping schedules, is unable to, in any sort of comprehensive way, plan their winter shipping. So what happens is, they come down with hat in hand and they're not certain whether they are going to get the money. We go through a long tortuous process, as the Minister is aware, of meetings and not meetings, and more meetings, and fewer meetings. It's a very complicated procedure that need not be if the Red Sucker Lake road was just included in the total negotiations, as is a road to Garden Hill or as is a road to Ste. Therese Point or the road to Waasago-mach, I believe.

MR. ORCHARD: Mr. Chairman, as the Member for Churchill is aware, that particular winter road is part of the Me-Ke-Si Company group contract. Now that was a three-year contract that was undertaken, I guess, by the previous administration, to provide road service to specified communities, and Red Sucker Lake was not one of the specified communities in that contract. That contract was the only way that we could enjoy 50-50 funding with the federal government, for instance, even Berens River, was left out of that contract. And what we have been attempting to do on the provincial level with the federal government, first of all we attempted to include Berens River on the 50-50 cost sharing which the federal government would not participate in - oh, they would participate in it, providing they didn't exceed their commitment of \$400,000 funding per annum. Now with the existing contract, they were at, I believe, \$391,000 of expenditure and the Berens River Road estimate, I believe - yes, it was a \$50,000 contract for that other 40 miles. Now we attempted to get the federal government to share in that additional \$50,000 on the 50-50 basis; but since that would have placed them over their \$400,000 commitment, they saw fit not to participate, which is fair ball. So at that point in time, we undertook that 40 miles, \$50,000, on our own provincial commitment with no federal sharing, and that left us with, when we got down to the Red Sucker Lake funding fiasco, shall we call it, that left us in the uncomfortable position of already having over-expended the appropriation that we had for the Me-Ke-Si contract, being approached to expend even more dollars, when at the same time it put me in a rather difficult position that the federal government would not even participate up to their \$400,000; they wouldn't even add a \$9,000 out of the \$50,000 for Berens River; and I suppose, that's the main source of the back and forth negotiations that Me-Ke-Si, Chief Harper, Red Sucker Lake, myself and the federal government had. It ended up that under the wire we did come to some sort of an arrangement, but certainly, not a satisfactory one.

Now, this summer, this is the last year of the Me-Ke-Si contract. We don't know, at this time, what the federal government's position is going to be on funding next year, so the additional appropriation that we've put in here of \$300,000

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for Winter Roads is very much dependent upon the federal government continuing a 50-50 sharing of the Me-Ke-Si contract, because if they don't, we, by no way, have enough money appropriated here to carry on those roads at 100 percent provincial funding. Those negotiations will, of course, take place - I'm speculating on time - but let's say June, July, well in advance of the construction season, and we will be discussing with the federal government, Red Sucker Lake and the potential of cost-sharing on that road, but we won't have a specific decision on that until mid-summer, I would guesstimate.

MR. COWAN: Thank you, Mr. Chairperson. Then we do have a commitment from the Minister as far as the provincial government is concerned, that they will be pushing for an extension of the winter road system into the Garden Hill area, into Red Sucker Lake, on a permanent basis?

MR. ORCHARD: We are going to make that part and parcel of our representation to the federal government.

MR. COWAN: Thank you. Moving to another area, the more northern part of the province, I had written to the Minister awhile back in regard to a road from Lac Brochet to by the community of Brochet, and then down into Co-op Point, off of Reindeer Lake and then down into Lynn Lake through the Co-op Point Road and was, at this point, wondering if the Minister has had any information that he can pass on to me in regard to the construction of that road.

I believe that road was to be constructed to allow a construction company access out of the community so that they could move their heavy equipment out that had been used in constructing the airport at Lac Brochet. While I was travelling through the area, of course, the people in Lac Brochet were quite concerned as to whether or not that road would be built, and at that time, as the Minister knows, we had a slow freeze or we had a mild beginning of the winter and there was not enough ice, so at that point it was a moot point as to whether or not that road would be built. It just couldn't have been built with the ice conditions that were there, but I understand now that there is enough ice, and that the road could be built. And when I travelled then on to the community of Brochet, the residents of Brochet said if the road is going down by this area, in the past it has passed within a couple of miles of our community and would it be possible to drive an ice road out to catch that road so they could transport, particularly fuel, I think that was a primary concern, fuel, and also other staples into the community on that road. In other words, it would be a very inexpensive manner to connect up to the road.

Having not heard from the Minister since I wrote him that letter, and I realize that it is a busy time of the year for him in regard to winter roads, I'd appreciate it now if he could bring me up to date on that situation.

MR. ORCHARD: Well, I can't bring you exactly up to date because as of about, I guess, 10 days ago, the last time we made inquiries about - construction equipment for the airport has to come out, that was the main reason for the road coming down - and as of about 10 days or so ago, they were still quite concerned about having enough ice to get that equipment out. Right now, I don't know whether they have, in fact, got out and having got out, would be able to have someone get in.

MR. COWAN: Perhaps, since that information is a number of days old, the Minister could undertake to find out what the situation is currently, as to whether that road has been built. I understand, also, and the Minister may want to correct me on this, but from my conversations in the community, they were anticipating that Hydro will be using that road that was used to bring equipment out, to bring their heavy equipment in, in the form of diesel generators, so it was to serve --(Interjection)-- okay, well, perhaps the Minister can check into that also, when he is reviewing the entire situation.

I have also, previous to the winter road season beginning, have received representation from some of the residents of the community of Sherridon in regard to extending a road off of the ManFor road up into that community, and would ask the Minister if he can bring us up to date on any proceedings that have resulted out

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of correspondence between himself and myself, and also correspondence between residents of that community and himself.

MR. ORCHARD: Well, as I understand the background on that, the department wasn't involved in the extension of that road. I believe, two years ago, the community council of Sherridon received something in the neighbourhood of \$180,000 or \$190,000, Canada Works Grant - I believe it was under Canada Works Program - for the construction of that approximately 27 or so miles of road. That funding was to provide employment and a lot of manual labour for the clearing of the road over a two-year period.

Apparently, in the original estimate, there was within that \$180,000 or \$190,000, a certain figure, be it \$15,000 or \$20,000 for equipment rental. Now, as I understand it, the community undertook a commitment rental or rented a dozer, a bulldozer, cat, from I don't know whom, to undertake the work last winter, and that work was not completed by the person they hired. This winter, they found that they could not complete their project with manual labour and they applied to, first of all, my district office in The Pas, for assistance in providing a bulldozer to them, and that request was referred to my department, and we have no framework under which we could provide them with assistance - the road didn't fall under any program that we were administering - and in the interim of replying that we would have no funding, it appeared as if the community organization retained a cat operator and then presented the department with a bill for \$19,000.00. Since we had no framework and were in the process of replying that we would have no financial commitment, we were left with, not just the somewhat unpleasant task of indicating to the community that we could undertake no financial participation on behalf of completion of that road, we also had the second onerous task of sending back a bill of some \$19,000 which was presented to us, and I believe, in about 10 days' time or thereabouts, I'm meeting with Mr. Angus Spence and the group to discuss this matter further. That is the last status report that I have on that particular project.

MR. COWAN: Thank you, Mr. Chairperson. I thank the Minister for updating me. I had not known about the \$19,000 bill. I have to admire the initiative, although the timing perhaps might not have been exactly as it should have been. I just ask the Minister, having just received this information, if the road was completed.

MR. ORCHARD: It's my understanding that they complete the road, yes.

MR. COWAN: Thank you, Mr. Chairperson. Perhaps I shouldn't take this so lightly, I assure you I don't take it lightly. It's exactly the type of problems that many times we do face with communities that are not experienced in dealing with government departments to a great deal, not experienced in dealing with bureaucracies to a great deal, and therefore, take upon themselves certain actions that perhaps are untimely, although the initiative was there. I know that the people in that community were very concerned as to whether or not that road would go in and that the road meant quite a bit to them, not only in terms of winter road transportation but also in terms of trying to push through the bush a path for a permanent road, if the occasion should ever present itself where they could have funding for that. It's my understanding that when they were looking at the area and looking at the route of entry for that road, that they were concerned with that.

Can the Minister inform us as to whether they have sat with him and discussed the possibility of turning that road into an all-weather road? I'm certain they're not thinking about a paved road at this point; they're thinking about a bush road, but one that could be utilized on a year round basis. Has the community approached the Minister in regard to this specific route of entry into their community?

MR. ORCHARD: Well, I'll answer the last question first. No, no they haven't. But on the member's comments about not knowing how to initiate dealings with bureaucracies and with government departments, with all due respect to the Member for Churchill, I suggest those communities operate with a great deal of

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skill in dealing with various government departments. As he is well aware, they received some \$180,000 or \$190,000 from the federal government, part of which was a machinery grant, and I think they undertook with sufficient and very good expertise to receive funding for that road. Where possibly the failure came in was in retaining a contractor last winter and apparently paying out similar amounts of funds to what they had to pay out this year, but last year having a contractor that did not adequately perform the service, whereas this year the contractor apparently did do, by and large, an adequate job of performing the contract.

MR. COWAN: I think if the Minister will review my remarks in Hansard when it becomes available to him, he will see that I didn't say that they had lacked initiative. I said that sometimes their experience results in these sort of untimely presentations of bills occurring. In other words, that their mistake was not in their effort but their mistake was in presenting a bill to the Minister before the Minister had had an opportunity to approve the funding allocation in the first place. That's a type of mistake that happens in all areas. I'm not placing the blame solely on northern communities. It happens in rural communities I am certain, also it happens throughout the province. It happens in a number of dealings with the government and I am certain that the Minister can tell us stories of this happening in other ways under other circumstances. So I by no means wish to isolate any of the communities in the north in regard to their abilities to deal with the government. I just, by that statement, wanted to point out that there are sometimes mistakes that do occur, and that they do occur because of a lack of experience in certain respects, but that the motivations always appear to be for the most part sincere motivations.

I would ask the Minister, now that we have before us a bit of a kafuddle, where we have a \$19,000 outstanding bill, that the Minister informs us that he can't pay because there is no room for that allocation in his department, or they haven't been able to find a place to put it yet, is the Minister prepared to work with the community when they do come here, in pointing them to the right places to go for the purpose of finding some funding to take care of that outstanding bill? That was the point that I was trying to make, that they are now going to need some assistance in some clearing of the path in regard to them acquiring funding in order to pay for that \$19,000 bill. So is the Minister prepared at this point, when they do meet with him in a number of days, to make certain that they have information provided to them as to the proper places to go for that funding? And the Minister also I would hope would be willing to support them in their representations for funding knowing full well the importance that that road plays in the life of that community.

MR. ORCHARD: Mr. Chairman, it is certainly my intention to suggest other areas where the funding might be more appropriately forthcoming to the group when they come in.

MR. CHAIRMAN: 8.(b)--pass. The Member for The Pas or the Member for Churchill if he's still on the same. . .

MR. COWAN: We're still on the Winter Road System.

MR. CHAIRMAN: The Member for Churchill.

MR. COWAN: I'm going to bounce around a bit more because there are a number of winter roads in my constituency. Can the Minister inform me if there is any provincial involvement in the winter road from South Indian Lake to Tadoule Lake?

MR. ORCHARD: No, Mr. Chairman.

MR. COWAN: Thank you, Mr. Chairperson. Further to that can the Minister inform me if there is any provincial involvement in the winter road from Gillam to Shamattawa, which I understand has been pushed through, I haven't received confirmation but I have been told by residents of Gillam that that road is pushed through.

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MR. ORCHARD: No, once again, Mr. Chairman, that's a road that's put in by private contractor under permit.

MR. COWAN: Can the Minister indicate how many of those permits have been allocated to private contractors for roads of those nature?

MR. ORCHARD: No, I can't. Mr. Chairman, those permits have to be acquired by the Department of Natural Resources. It's under their jurisdiction. They're over Crown lands usually.

MR. COWAN: Can the Minister indicate if there is any anticipation on his part in regard to extending the winter road system further? There are a number of communities like Brochet, Lac Brochet, Tadoule Lake, Shamattawa, I know that Gillim has asked for one. I know that Churchill would appreciate one even though those two communities are serviced by rail. It does make a difference to the community also having a winter road in to their community.

I know that one of the primary concerns that are expressed to me, especially as the winter season approaches, as I travel through the north, is, are we going to get a winter road this year. I think it's an important aspect of any community's existence, especially where there is no other available means of land transportation. The fact that they have a winter road, cuts down the cost of transporting goods into that community, they don't have to rely upon the transportation by air which is expensive and time consuming as well as not being as expedient as having the road into the community. It also enables many people in the community to get out of the community using their own vehicle, which is a fringe benefit of the winter road system, but is no less important to those people who live in those communities than many of the other benefits. And I am speaking now specifically in reference to communities such as Gillam and such as Churchill where you may already have a rail connection going through, but that it would enable the people more access to the larger communities in the north if they did have a winter road system.

It seems to me as if the - well, it's more than it seems to me, it's a fact that the mileage in the winter road is decreasing year by year although this year's decrease was a minor decrease, but the 1978-79 figures were down from 1977-78 and there have been decreases from years previous to that. I know the Member for The Pas can probably correct me, but I believe at one time it was up around 900 miles of road in the winter road system.

A number of the miles that have been cut off have been cut off due to the incorporation of previous winter roads into the permanent road system. In other words, the road to Split Lake was a previous winter road, is now I assume not included in the Winter Roads statistics because it has been incorporated as an all-weather road with a ferry connection.

So I can understand the reasons for some of the decrease in mileage but I can't understand why we are at the same time, connecting these roads up and decreasing our winter road mileage, why we can't be extending winter roads to other communities that have been asking for a number of years, for that extension into their community, because it will have a tremendous economic impact, a positive impact on the cost of bringing fuel and the cost of bringing staple grocery goods into the communities, and for that reason should be a priority; I know it's a priority of the community. It should be a priority of the government if the government is concerned with providing those communities with the best possible existence and also increasing the standard of living through Government Services.

So I would ask the Minister if there is any intention on his government's part to begin to extend the winter road into communities that have not previously been serviced by such roads in the past.

MR. ORCHARD: Well, Mr. Chairman, we've got a rather interesting position in that it's my understanding - or not an understanding but my feeling that it's not only the province but it indeed is the federal government, which has a certain responsibility to provide these winter road connections to the various communities - and under the present funding arrangement only about 360 miles, for rough figures, of the current 790 miles of winter roads are funded jointly with the fed-

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eral government and we have got a number of miles that we are funding 100 percent provincial dollars.

And an expansion in the program, I feel, should come as a joint effort between the federal and provincial governments and I don't think that's an abrogation of responsibility to those communities that the Member for Churchill mentions, but rather a genuine interest in assuring that we can adequately handle financially, the implications of the Winter Road Program in Manitoba.

We are, as the member can see, budgeting for about a 25 percent increase in funding next year, to help increase the service provided by winter roads. But I certainly intend to undertake with the federal government, negotiations on further cost-sharing with them.

MR. COWAN: Well, the reason that I bring this point up at this time, Mr. Chairperson, is that the Minister has indicated that they will be going into negotiations with the federal government and I had wanted to bring these concerns that have been expressed to me on numerous occasions by my constituents and which I regard to be not only legitimate but very timely concerns, to his attention so that when he does go into negotiations with the federal government, he can proceed with the knowledge that there are numerous communities in the north yet that are not serviced that would like to be serviced and perhaps he can make that a part of his negotiating stance.

I'm not asking the provincial government to take the fiscal responsibility on to themselves. I know that there are procedures and negotiations that one has to follow in regard to encouraging the federal government to help, or to take their fair share of the cost money when we're dealing with reserve communities in particular.

I would just hope that he would be encouraging them to do so and that we can look at the communities, in specific, of Shamattawa which is a community that could well use a winter road system. Look at the communities of Lac Brochet, to do with the lake; Pukatawagon, had approached me in regard to a winter road, or even an all-weather road, a winter road that would eventually be extended to an all winter road from the 391 Highway to High Rock Lake and from High Rock Lake, where a goodly portion of their fishing industry is located, from High Rock Lake . . . into the community itself. I'd ask the Minister if he's been approached by the people of Pukatawagon in regard to that winter road extension and if so what the status of those negotiations are, presently?

MR. ORCHARD: Yes, both Sheridan in the past, although Sheridan's problem is somewhat alleviated now, but Pukatawagon has approached us and we have not participated in funding there on a winter road primarily because they are not a 100 percent isolated community from available ground transportation, with their access to rail service.

MR. COWAN: Well, I would imagine that when the community, or the representatives of the community, did approach the Minister, that they talked about the impact that this winter road would have on their fishing industry off of High Rock Lake. Even though they are serviced by rail there seem to be some difficulties in that servicing and they have presented to me what seemed to be very logical economic arguments for the winter road, for the winter fishing season and also for an extension of that road as a permanent road so that their summer fishing season could also be accommodated by the transportation, the trucking out of fish which is far cheaper to them than is the transportation by rail.

So I would hope that the Minister would take that under advisement when discussing this item when determining if that winter road is necessary to the system.

Because what we're talking about in every instance of winter roads, is we're talking about the economic viability of that winter road to the community. The winter road itself does not benefit the province as a province except that it provides for the people in that community, greater access to services that other people enjoy and also provides to them a more economical method of transportation. So in that respect, what is good for one community is good for the entire province. It does benefit the province.

In the other respect they're not used very much for tourism. They're not used very much for interprovincial travel. They're not used very much for the other

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forms of travel that we see other roads being used for. They have a very specific purpose and that purpose is very specific to any community. But they can make a substantial difference in the cost of living for people in those communities.

If you're freighting in freight - and especially when you start talking about liquid freight where your gallon gasoline is roughly 10 pounds - and you start at that point multiplying the differential between air freight and ground transportation and you find that you're paying a difference in a dollar or two per gallon, once you get it into the community.

And one knows that if we have a good winter road season, which I'm not certain this year was because of the weather conditions, but that if we do have a good winter road season, the community can move in bulk, a substantial portion of the fuel that they are going to be using in the upcoming year; and can also move in other goods, lumber, if they are doing construction; they can move in heavy equipment if that's necessary. So the winter road has a - even though it's of a very limited duration - has an impact throughout the year in the community.

I can only encourage the Minister, without taking too much time on this item, when communities do come to him with representations for these winter roads, they are usually coming with very sound economical arguments and they are usually providing a very sincere perspective as to why they want that winter road and what impact that winter road will have on their livelihood as well as on their standard of living. So I can encourage the Minister to listen carefully, and also when he is determining the economic cost of those roads to the province to, at the same time, concern himself with the economic cost of not having those roads to the communities themselves, because it is a substantial cost. And having said that, I look forward to watching with some interest the negotiations between the provincial government and the federal government in regards to extending the road system and hope that when we discuss this item next year during the Estimates that we are able to talk about a larger mileage item and a larger number of communities being serviced.

MR. CHAIRMAN: The Member for The Pas.

MR. McBRYDE: First of, Mr. Chairperson, I would like to give the Minister some advice in terms of how to negotiate on this matter. What the approach that the Minister could take, and probably the most effective approach is to deal with those communities that are mostly treaty Indian. Tell them that the province is willing to consider assisting with the winter road, providing that the federal government puts in 50 percent of the dollars, than have the community do the negotiation with the federal government, because the federal government seems to be much more willing to listen to the communities and negotiate with the communities than they are with the province. And, Mr. Chairperson, this is how we finally got some cost-sharing on the road into Island Lake and Me-Ke-Si contract, and at that time, Mr. Chairman, I thought it was important to have that cost-sharing fund available to us, and even though the Conservative Minister of Northern Affairs was very critical of reaching that agreement, that was the only way we could get 50/50 cost-sharing, was having that long-term agreement with Me-Ke-Si, and get the federal dollars into Manitoba for that necessary kind of construction program.

The Minister is in a bit more difficulty when he is dealing with communities like Sheridan, where there are no or very few treaty Indians living. I mean, there is no legal reserve there. But in the case of legal reserves, he can, by proper negotiation, probably get some cost-sharing on those projects, as he probably learned in negotiating with Red Sucker Lake. One of the problems is that it usually takes such a long time to get the negotiations complete that the winter is over and the winter road season is over, and the Minister has already had that experience.

Mr. Chairman, what I would like to ask the Minister is, that in the past there was detailed statistics given out to members. In fact, we used to issue once a week a statement in terms of - and it contained the basic information of the community served, the mileage of the winter road, the contractor for the winter road, whether or not it was a cost-shared, whether it was a 50/50 road or 100 percent provincial road, the date the road was opened this year and the date the road was opened last year, the freight hauled last year and the freight hauled this year to date, and sometimes the projection of how much freight was yet to go in. I wonder

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if the Minister has that kind of information available for the various roads which used to be compiled on a regular basis, and if he does have that information if he could give it to us at this point.

MR. CHAIRMAN: The Honourable Minister.

MR. ORCHARD: Mr. Chairman, I don't have it week-by-week per se, but what I am going to have provided is the year-end results into each community as to how much freight went in, how many truck loads and what the commodities were.

MR. McRYDE: Mr. Chairman, I wonder if the Minister could, since we're considering this item in his Estimates now, give us what information he has available now. I'm particularly interested in the mileage, the contractor, whether or not it's cost-shared, the date it was opened last year, the date it was opened this year, and the goods hauled to date, and I am sure that the Minister - at least that information used to be forwarded on a weekly basis in the past - whether he has that information and if he could give us an update to today and since today is the last day of winter roads anyway, it will probably be a fairly accurate update.

MR. ORCHARD: Well, we don't have the opening dates here. Me-Ke-Si's road program opened on the, I think it was the 4th of February, that's only from memory. We can confirm that for this afternoon. And the other stretches of winter roads, I wasn't as closely involved with them because we didn't have quite the same climatic problems seemingly on that. In terms of contractors, we have Gilbert North undertaking 23 miles for us this year.

MR. McBRYDE: Where is that?

MR. ORCHARD: They are taking Oxford House to 23 miles east on the Oxford House to God's Lake Narrows winter road, and we have Oxford House band taking on 42 miles including the ice bridge on the Hayes River, and that's from mile 87 to mile 129 on the Cross Lake to Oxford House winter road. Now you'll pardon me if my pronunciation is not a hundred percent. Pimichikamae, 50 miles of road, mile 37 to mile 87 on the Cross Lake to Oxford winter road, Berens River band from Berens River southerly, 40 miles. Ilford Community Development Corporation, that is 40 miles. Split Lake from the ferry landing at mile 81 on the Split Lake road to York Landing at Ilford, and with access into Split Lake. God's Lake band of Indians has got a 38 mile track from Oxford House to God's Lake Narrows, and then God's Lake Narrows Lodge Limited has 4 miles on God's Lake with access to the nursing station. And the Cross Lake bank of Indians has the north Whiskey Jack Ferry Landing, from the north Whiskey Jack Ferry Landing, to the Community of Cross Lake. And from the junction of the Garbage Dump road to mile 37 on the Cross Lake to Oxford House winter road. South Indian Lake Community Council has 8 miles from South Bay to the start of the all-weather road in the community.

Now, those roads, and my department will correct me if I am wrong, those roads are 100 percent provincial funding. There is no cost sharing on any of these.

MR. McBRYDE: Yes, Mr. Chairman, there is one part I didn't ask and that is, does the Minister have the cost of the . . . price of the contract?

MR. ORCHARD: I can give you the total cost and features if you want.

MR. McBRYDE: If he has the cost per mile breakdown as well, I am not sure.

MR. ORCHARD: Well okay, I'll give you one more item, namely, the 359 miles under the Me-Ke-Si, and that was at a cost of \$869,000 this year, and we are budgeting for a total of \$1,365,570 expenditure, so if we deduct the \$869,000, almost a \$500,000 for the balance of those first mileages that I gave the member.

MR. McBRYDE: Yes, I'm sorry, I missed the Minister's last answer.

MR. ORCHARD: Well, the \$496,570 would be the Budget figure for the above-mentioned 100 percent provincial funding roads.

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MR. McBRYDE: Yes, Mr. Chairman, could the Minister give me the detailed breakdown, that is, Gilbert North contract "X" dollars?

MR. ORCHARD: Yes.

MR. McBRYDE: Band Council contract.

MR. ORCHARD: Have you got some itemized down there? I can give you the numbers, as we have the costs here.

MR. McBRYDE: I didn't take numbers down, Mr. Chairman.

MR. ORCHARD: The 23 miles will give you - you've got the contractor, have you not?

MR. McBRYDE: Go ahead.

MR. ORCHARD: \$41,720, Gilbert North; \$75,000, Oxford House Band; Pimichikamac, \$84,750.00.
The Member for The Pas.

MR. McBRYDE: Mr. Chairman, I wonder if the Minister could tell me who that is?

MR. ORCHARD: I'll spell it for you. P-i-m-i-c-h-i-k-a-m-a-c.

MR. McBRYDE: Is that a community council corporation, or a band council corporation, or a group of individuals or . . .

MR. ORCHARD: It's a community corporation.

MR. McBRYDE: From which community?

MR. ORCHARD: From Cross Lake? Berens River Band, the 40 miles is at \$50,000; Ilford Community Development Corporation, \$72,700; God's Lake Band, \$57,500; God's Lake Narrows Lodge Limited, \$10,000; Cross Lake Band of Indians, \$82,300 and South Indian Lake \$22,600.00.

MR. McBRYDE: Yes, Mr. Chairman, does the Minister have the opening dates for any of these roads?

MR. ORCHARD: No, not here, Mr. Chairman.

MR. McBRYDE: From that answer, Mr. Chairman, I'm assuming that it is somewhere, and maybe the Minister could provide it.

MR. ORCHARD: Yes, we'll try to have that for you this afternoon.

MR. McBRYDE: Provide it to us at a later date. I wonder if the Minister could just tell us a little bit in terms of the administrative structure, now that this work's under, like the supervisors or the overseeing, and if he could give us some idea of how much flying is being done, in terms of, as part of the supervision or the checking of the progress on roads, etc.

MR. ORCHARD: I understand that the same person who used to be in Northern Affairs Transportation Services is looking after the Me-Ke-Si group roads out of Lac du Bonnet, but the department doesn't have his name. And for the 100 percent provincial funded roads, those at South Indian Lake, etc., etc., Mike Kapetz, he's operating out of Thompson and is the main supervisor on that - and we don't have flying time delegated to the various roads.

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MR. McBRYDE: Yes, Mr. Chairman, just a little bit more detail on that structure. So there's a general co-ordinator out of Lac du Bonnet or at south end, and there's a general co-ordinator out at Thompson for the north end, which are 100 percent provincial roads, and what kind of supervisory staff does the department have, and does the department have any term staff or staff that are just for winter roads during the season. I wonder if the Minister could give us a little more detail on that.

MR. ORCHARD: Like the Thompson sub-office handles most of the - that's where Mike Kapetz works out of - and he handles, with the district office staff or the sub-district office staff people, assist him in carrying out those particular roads; and the similar thing - Lac du Bonnet, being a sub-office of Selkirk, we have our district office staff available to provide whatever supervision is required. But in terms of specific numbers, I can't give you whether there's 5 men out at Lac du Bonnet that's in addition to the supervisor, or 3, or 2.

MR. McBRYDE: Okay.

MR. ORCHARD: Out of Lac du Bonnet, we have a three-person inspection staff.

MR. McBRYDE: Mr. Chairperson, on the Me-Ke-Si contract, is it the province that's - and Red Sucker Lake, now that it's been added in there - is it the province that gives the approval for pay-outs, or is it the federal government that inspects and says they've done so much work and the pay-out can take place?

MR. ORCHARD: The province. Yes, Red Sucker, it's in loose terms, if you include it in the Me-Ke-Si contract, because it was above and beyond the Me-Ke-Si contract. The province is responsible for pay-out on the original Me-Ke-Si roads, excluding Red Sucker Lake.

MR. McBRYDE: Yes, Mr. Chairman, that's clear to me, in terms of the main Me-Ke-Si contract. What is the present arrangement, then, for Red Sucker in terms of pay-out?

MR. ORCHARD: Well, we haven't received the cost Estimates of how much it cost them to put that road through yet. But, as I understand it, they have a commitment from Manpower federally for some dollars, and they have a commitment from us for some dollars towards the construction of that road.

MR. McBRYDE: So, Mr. Chairman, the Minister will be receiving a bill up to a maximum, is that how it will work?

MR. ORCHARD: That's how we hope it will work. That was a rather rapid - we didn't write up a formal contract, such as we have with Me-Ke-Si, specifying so many dollars per mile, etc. etc. This was a last-ditch effort to get it through, so that one will be proceeded with, not on a very formalized route, but we expect to receive a billing from the Red Sucker Lake people, the contractor, for their cost involved in putting that road through.

MR. McBRYDE: Yes, Mr. Chairman, I would like to jump now, to a different area, and that is in the 1978-79 season, the Minister mentioned a road, a winter road, from The Pas to the Saskatchewan border, and I wonder what conditions made that road necessary last year and not necessary again this year.

MR. ORCHARD: Well, that one, I'm not too terribly familiar with but, apparently, that road was a trapper road and I don't believe it led to any specific community, and it was just dropped from funding for that reason. Was there any freight ever carried on that particular stretch? It was primarily providing truck or vehicle access, rather than snowmobile access to trapping routes, apparently. I don't have very much knowledge on that one, because it was never even considered as part of this year's funding.

MR. McBRYDE: Yes, Mr. Chairman, I wonder if the Minister has the figures there for one of the costs of construction and the cost of maintenance for that particular road.

MR. ORCHARD: Well, apparently, last year, the contractor received \$700.00.

MR. McBRYDE: Yes, Mr. Chairman, then, I'd like a little bit more detail in terms of what was done and who contracted and why this - well, in fact, it was in answer to the Member for Churchill's question - about 62 miles of road and the Minister said, "Well, that 62 miles was the road from The Pas to the Saskatchewan border."

MR. ORCHARD: Twenty-five miles.

MR. McBRYDE: Twenty-five miles of that. I wonder if the Minister could tell us what was done for \$700 and . . .

MR. ORCHARD: I'm advised it was one trip with a small bulldozer.

MR. McBRYDE: Yes, Mr. Chairman, I wonder if the Minister could give us, get from his officials the detail of how this became approved. How did this \$700, this large expenditure, somehow get in the winter roads budget, and what was the mechanism by which this road was able to be done, when other communities have been asking for winter road assistance and it doesn't fit within the guidelines, and the structure, and the requirements of the Minister.

MR. ORCHARD: I don't really have the details on how it got approved, but I do have the details on how it got unapproved - just simply that it didn't meet with any criterion of linking a community to surface transportation, so we didn't fund it this year.

MR. McBRYDE: Yes, Mr. Chairman, the reason I asked those questions is that I'm not trying to be critical of that particular road being built. In fact, it seems to be necessary in northern Manitoba to, from time to time, meet various situations that arise. And so you have, for example, a situation like Sherridon, where there's a project under way and there's a shortfall of so many dollars; and we've had that in the past, Mr. Chairman, on a road to the logging site for Moose Lake Loggers, where the road just needed a certain amount of dollars for repair to be a usable all-weather road. And so, we were able to find the money to do that.

We've had other examples on the winter road situation where, at the last minute, because of the community's own efforts, it appeared that expenditures of a few thousand dollars would, in fact, do a lot more than \$2,000 worth of work. I'm assuming that the \$700 did quite a bit, more than \$700 worth of work because somebody was probably wanting the road there anyway, and the province gave a little extra assistance to make sure that it went through.

Another example, Mr. Chairman, of the community's initiative is the bridge that was built in the community of Cormorant. I'm sure the Deputy Minister of Highways, at least, is familiar with that structure, where the community took the initiative and did the work for quite a bit less than any sort of, official Estimates of any engineer would say that particular work could be done. So, Mr. Chairman, we have it, in the case of Sherridon, one of those situations that arose this past year, where for a few thousand dollars - that the original Estimate was \$10,000, the final cost was \$19,000 where a connection could be made. A community that was not formerly serviced by a road, by a winter road, got a winter road for that kind of price. And if you compare that with the price that we're paying now, the province or the federal and provincial government together and other winter roads, it was a very good price. Fourteen to 20 miles of road for \$19,000.00.

MR. ORCHARD: \$180,000.00.

MR. McBRYDE: Yes, Mr. Chairman, but for the extra \$19,000, the road was able to be completed. So, what we have there in a situation - I suppose what I'm

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urging the Minister to do, is to attempt to have some flexibility within his Budget and his guideline in his structures. Now, I know that's difficult and not always possible, and sometimes gets all kinds of questions going, because how do you make a decision, sort of on these kind of things that come up on fairly short notice. But for a limited number of dollars, a very important community service can be done, or something can happen that is very worthwhile and very necessary. Mr. Chairman, when I'm talking about the Sherridon road, I would like to read into the record and add to what my colleague said, in terms of the Sherridon road and I think one of the problems was the - sort of - the knowledge of how to apply for a Canada Winter Works grant from the federal government was there because people have had that experience before. How to get some emergency funding from the province, a limited amount, the expertise wasn't there to do that is obvious because of the fact they didn't get the amount. If they were so sophisticated, they might have been able to talk to the Minister and get that amount.

And, Mr. Chairperson, on December 11, 1979, the Minister was sent a letter from Les Pruden, the Manager of the Meskanau - Project and Meskanau, Mr. Chairman, just means "road" - and from Joe Zuke, the bookkeeper and co-sponsor of that particular project, and the letter was as follows:

"We are a local group of the Sherridon Cold Lake Manitoba Métis Federation Local who are sponsoring a Canada Works project, Meskanau, which involves at present 24 men and women building a winter road linked to our community to Highway No. 10.

"The project began on November 13, 1978, and we asked for a postponement on May 25, 1979 to November 5, 1979 because it was impossible for men in a vehicle to travel through the bush during the summer months. The D-8 Caterpillar we had contracted to last winter did not do the good job we had anticipated, and we need another machine to do a good finishing job.

"Our community really needs this winter road to be completed now more than ever, as recently the local store went out of business. All the residents must now travel to larger centres such as The Pas or Flin Flon to buy necessities such as food, clothing and fuel. The only other prospects for jobs locally are the CNR, which has only six to eight openings at a time, and our trapping, which is a seasonal occupation.

"What we're asking of your department in this letter is some indication by the end of December, or very early in the New Year, is whether it is possible for a bulldozer of some kind to finish off the few miles remaining to push a 30-foot wide right-of-way so that the vehicle could transport the workers to the junction of the present ManFor Road which is 14 miles from the community. They will then cut 150-foot wide winter road to our community. If your department can help us with a cat it would most certainly bring a successful end to our project. We have estimated the cost of contracting a private owner to make a right-of-way of 30 feet wide, to cost in the neighbourhood of between \$10,000 and \$12,000.00. Any unspent funds would be returned to the province upon completion of the work by the project end May 31, 1980.

We anticipate an early reply to this urgent request as time flies and if government bureaucracy can see fit to plow through its red tape on this matter we would find it very helpful and very much appreciated. Thank you," and the two gentlemen that I mentioned.

Now, I believe, Mr. Chairman, that the Minister of Highways met with some people - or his Deputy Minister - met with a delegation from Sherridon since that time or perhaps, Mr. Chairman, it was in February that the Minister met with them because I have another letter on my files, Mr. Chairman, which outlines in my mind the urgency of the situation, and this one again is from Joe Zuk, the Vice Chairman of the Sherridon Cold Lake MMF Local.

And, Mr. Chairman, I would like again to have the indulgence of the committee to read this into the record as it does give a pretty good outline of the situation in that community.

"Our community of just over 200 residents is completely isolated except for train service three times a week. Airplane service is interrupted during spring and fall breakup as there is no airstrip in our community.

"This lack of transportation services has many negative aspects to it: (a) Higher costs of living due to high CNR freight rates on every commodity. As the local store is recently closed every household must now ship in all our food supplies from outside centres such as The Pas via CNR."

And, Mr. Chairman, I'll depart from the letter there and what's happened in northern Manitoba with the CNR is that the rates are very high if there's no other access to the community. As soon as a road goes into the community then the CNR rates go down, Mr. Chairman. So that's the reality of the situation.

So in this case the \$19,000 expenditure by the province would have two effects: it would provide that access; it would also cause a lowering of the CNR rates when that access was available.

"(b) The cost of fuel for heating homes and transportation are greatly increased because these must be shipped by train.

"(c) The only ways to transport emergency medical patients are by aircraft or train. When aircraft are grounded due to weather the only alternative is the slower means of the train. In the past that has proven fatal. A small baby died in its mother's arms awaiting for the train's arrival. Also many babies were born in the community without the benefit of a doctor in attendance. Incidents such as these seem tragic when a roadlink only miles away would greatly alleviate the hardships incurred by our population in the community." Mr. Chairman, this is written in longhand but I'm having a little trouble interpreting it.

"Isolation hinders social contact outside the community in recreation and sports and it means students of high school age must leave home and family to attend school out of town. Many of these young people do not return to our community because of isolation and the lack of opportunities.

"We feel this roadlink would enhance job opportunities with all the mining exploration going on in the area at present.

"In November 1978, our Manitoba Métis Federation, Sherridon Cold Lake Local were approved a Canada Works grant to construct a winter road link to the end of the present ManFor Road, a distance of 17.7 miles. Work crews were only able to cut in cold weather when ground was frozen enabling a vehicle to carry men to the work site. Therefore, work halted on May of 1979 and again started this last November, 1979.

"The contractor hired the first winter to cut the right-of-way road allowance did not do the thorough job anticipated and a second contractor had to be hired this last winter to cut the road allowance. This was an unforeseen expenditure and is now an overexpenditure. This winter road has been constructed according to Department of Highways survey plans and would serve as a basis of an all-weather road in future. This would greatly reduce the capital cost of constructing an all-weather road into our community.

"We urge you to listen to what the delegation meeting with you this week has to say on our behalf. We leave you hoping your deliberations this week with the delegation has a positive outcome for all of us."

So, Mr. Chairman, that outlines the community situation at Sherridon and my colleague mentioned the community of Pukatawagon which is further up the CN line and would describe, I think, the situation in that community as well, only that community is a little larger.

Mr. Chairperson, so what we have here is the fact that ManFor pushed the forestry access road for ManFor's own purposes, within 17.7 miles of the community. So all that's needed is some work on that 17.7 miles now to have a community connection to the ManFor Road and thereby to Highway No. 10, and access to Flin Flon and The Pas, etc., Mr. Chairman, and this would provide that kind of access to medical services that they were talking about.

It also does something else; and what has to happen now is that the people of Sherridon telephone up to stores and order their groceries over the telephone and then get them sent in by rail. And, Mr. Chairman, this doesn't necessarily always work that well because the store has to go to some inconvenience and there's a problem of how the payments going to be made, etc., etc. So that is an additional serious problem since the store has closed in the community of Sherridon Cold Lake.

I was under the impression, Mr. Chairman, that there is a delegation coming into the Minister once again to appeal to him to see if there's somewhere within his funds, within his department, that this money might be found.

I would also suggest, Mr. Chairman, that the Minister might want to talk to some of his colleagues in terms of their unexpended amounts, like Northern Affairs, or other departments that would relate to this area, where the sum of \$19,000 might be found to assist the community.

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And, Mr. Chairman, the community did proceed because they didn't really have much choice in the matter, so they had to take an expenditure with quite a risk that they didn't have the funds coming. But to provide transportation to their people to expend the rest of their Canada Works grant which expired on the first, they had to have the right-of-way pushed through by the Cat.

And, Mr. Chairman, my understanding is they are using that road, it is serving the community quite well now. And in fact that particular access road, which is a winter road, might be a fair weather road even when the winter's over, i.e. it's on ground that is high enough that they might be able to use it when it's not raining, etc., and they might be able to have access all year round.

So I would urge the Minister to give consideration, to dig around within his department and others, and see if the community could be assisted to locate those funds and I wonder if the Minister would like to make any comment on that before I jump over to another part of this item.

MR. ORCHARD: Well, Mr. Chairman, I believe I already indicated the commitment I will make as Minister to the Member for Churchill that they are going to get a good audience when they come in to see me. And incidentally, Mr. Chairman, they did not see me the last time they were in when that particular letter - and I would appreciate a copy of the last longhand letter, if you would please? I did not see them at that time. This will be my first meeting with them coming up.

MR. McBRYDE: Mr. Chairperson, the letter of February 7, 1980, the longhand letter is actually addressed to the Honourable Joe Brako, the Deputy Minister of Highways. So, Mr. Chairman, that is who the letter was sent to and I understand they did meet with him. I just wonder if the Minister could confirm that, that a delegation did meet with his Deputy.

MR. ORCHARD: Yes.

MR. McBRYDE: One of the other problems, Mr. Chairperson, in this type of negotiation, in the past when the communities were in fact given some assistance, when they had to have a delegation, when they had to deal and negotiate with government. And this is one of the problems that the Community of Sherridon has at this time is that there is no community council funds or other financial assistance available for them to do travelling. And the Minister might want to take a look at that as part of my recommendation to him in terms of negotiation, that it might be worthwhile for the province to spend a little bit of money to assist the delegation to come from Pukatawagon or Berens River or Red Sucker Lake in order to assist him with his negotiations.

MR. ORCHARD: Mr. Chairman, with all due respect to the Member for The Pas, I think that would be a request more properly made of the Department of Northern Affairs, rather than Department of Highways. We would be in a very embarrassing situation of having to provide funds to municipal councils from south central Manitoba to come into the city who undergo expense in getting here as well, if we provided funding for delegations wanting to meet with myself or my deputy regarding projects they have undergoing in their communities.

MR. McBRYDE: Yes, Mr. Chairman, I think maybe the Minister sort of jumped a little bit too quick there, that's what I had in mind. In the past it was through the Department of Northern Affairs and through the community council that that kind of assistance could be given. So I would urge him to urge his colleagues because it is important to him and his Ministry in this section we're discussing now. And it will help in his negotiations with the federal government if the communities are able to come in and meet with federal authorities and put on all the political pressure necessary to get some commitment from the federal authorities through the Indian Brotherhood, etc., etc. So I just give that additional advice to the Minister. I think that's all the comments I have on this at this time.

MR. CHAIRMAN: The Member for Inkster.

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MR. GREEN: Mr. Chairman, with respect to winter roads. I gather that the winter roads have come under the jurisdiction of this department just recently, that they were previously under Northern Affairs. Now, Mr. Chairman, I believe as a result of litigation that I am involved, that there is a misunderstanding on the part of the Motor Transport Board as to their jurisdiction with respect to winter roads. And it was my impression, and I believe I am right, that a winter road is not a road at all. There is no road allowance, there is no road taken, there is a route on which certain machinery is able to go in the wintertime, which it cannot travel in the summertime because there is no permafrost to hold it up. And that these routes are into areas which are non-accessible except during the winter, and the traditional form of winter road authority was that Mr. Sigfusson of Sigfusson Transportation used to get a land-use permit. It had nothing to do with the road. He was given a permit to go over land in the Province of Manitoba to get from one point to another point.

Now there is some suggestion on the part of the Motor Transport Board that a person needs a PSV certificate because it says under The Highway Traffic Act - and I'm not talking about to get to the winter road, I agree that you need one to get there - but that when you are travelling on a winter road you are not engaged in an activity which requires the authority of the Motor Transport Board. As a matter of fact, that is completely contrary to what the intention was when we opened up the winter roads. It used to be the case that Sigfusson Construction - and I'm not making a criticism here - that Sigfusson Construction was on the winter roads and was on them alone because he had a permit and nobody else did and, as a result of getting that permit, he opened up the roads and carried the freight and charged for it and kept people off the roads. It wasn't the Motor Transport Board that gave him the authority. He kept them off because he was the only one with the winter road permit.

Then he started to ask for a subsidy for his work because the province was complaining about the freight rates, and he said, well, if I had a subsidy for the cost of creating the roads, I could bring them down. Then when he got a subsidy, other people said, well, if provincial money is going into opening these routes, why can't we go? And that was the development. We then said to Mr. Sigfusson - and I believe there is still litigation on this - we are now going to make the winter roads a total provincial responsibility, we will pay for opening them up but anybody can then go on them. And we did not intend, Mr. Chairman, that there be any monopoly rights, any licence rights with regard to winter roads, and they are not roads.

I have heard it suggested by lawyers there, and by the board itself, that they have a jurisdiction over winter roads and the way in which they have let everybody go is that they have excepted it from their jurisdiction.

Now, Mr. Chairman, I believe that, as a matter of policy, you should make it known and if it has to require a regulation or if it requires government approval, or legislation, that the Motor Transport Board has no authority whatsoever to restrict a carrier from going on winter roads. They may restrict people getting to the winter roads because I guess they would have that authority, but they shouldn't restrict anybody who is only going to a winter road.

MR. CHAIRMAN: The Honourable Minister.

MR. ORCHARD: Well, I don't think any comment I can make will reinforce or detract from the argument that the honourable member makes. The only comment I might have is that, in terms of all the winter roads, the RCMP do have jurisdiction over them even though they are not numbered or part of the PR system. Now, I don't in any way attach that to the argument that the Member for Inkster is putting forward about franchising people to use the winter roads. But we do have highway traffic regulations applying on winter roads to assure that the trucking industry acts responsibly on them.

MR. GREEN: Yes, but, Mr. Chairman, when you say that you have highway traffic regulations, are you suggesting that you could prosecute somebody for being on a highway, when he is on a winter road?

MR. ORCHARD: If he is speeding.

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MR. GREEN: Well, Mr. Chairman, I will wait to see such a prosecution, because I do not believe that these fall within the definition of highways. They are not highways. As I say, they are land use . . . It's like driving on your own property and speeding. If I have a land use permit to go on a certain area and I go on that area, what traffic regulations apply to that area? And therefore, when that is said, I doubt very much whether that is correct. And I wonder if you are aware of any successful prosecutions of this nature.

MR. ORCHARD: There is not. Your course may well be right.

MR. GREEN: Yes. I am suggesting that the very reason that these were never in the Highways Branch indicates that they are not highways. They are in no way highways. You do not get a road allowance for them. You do not have any designated place on the map where the highway goes; it just goes. They clear a path and they go. Some day the path might move over 200 yards if they find a better place. And therefore I think that it should be clearly impressed that winter roads are areas which were opened up for general freighting.

And, Mr. Chairman, there's another feature and I guess I'll wait until we get to the Motor Transport Board to deal with it. But I first want to make it . . . I got the Minister's affirmation that the development of winter roads as I described it is correct. And I question, and I think that the Deputy Minister should maybe refer it to the Legal Branch to see whether he thinks that the Highway Traffic regulations apply to winter roads, because I do not believe that they are roads or highways. The word "road" is a descriptive phrase. They are paths which people have cleared out, which used to be done on a person's own property. When I say "own" property, it doesn't mean he owns it but he had the right to use it. That's all he did. It was a land use permit, which opened up the winter roads.

MR. CHAIRMAN: The Member for Ste. Rose.

MR. ADAM: Thank you, Mr. Chairman. This morning has been a very good exercise. A lot of information has come out in regard to winter roads and I think the members from the north, the Member for The Pas and the Member for Churchill, have brought out some points that really are worthwhile and I know that the Minister will take cognizance of those comments that were made.

While the winter road mileage has not been decreased by that much, I am just wondering whether it has been a good policy to transfer the Transportation Services over from an amalgamation with the Department of Highways. The reason I say this is because any savings that were made or derived because of that amalgamation have not translated itself into more roads for the north. And I am just wondering whether or not, as it was prior to the amalgamation, where you have people who are dealing primarily and exclusively with northern problems and they are more oriented to the north. And so I think that the morning has been a very very useful exercise.

I would really impress upon the Minister to keep pressing the federal government for more cost-sharing, to vigorously proceed for that because when you look at the amounts of money that the federal government is putting into transportation in other areas, for instance, in 1978, there was \$300 million for air transportation in subsidies; and ferry services, \$150 million; for rail passenger services, VIA Rail, \$277 million; and \$177 million for capital costs for rail passenger services, plus hundreds of millions of dollars for marine, weather, and meteorological services and so on, and cost-sharing with cities and urban areas for transportation. And when you think of the benefits that southerners have available to them in the form of lower cost, we see how important the northern road system is.

Therefore, I want to impress upon the Minister, if the federal government has that kind of money available, that we should be able to tap into some of those funds.

I want to just ask about one road that I don't believe that the Member for Churchill or The Pas mentioned, and that is the road from Berens River to Poplar River. The Member for Rupertsland is tied up in the other committee and no mention was made of that particular road. I think it's about 40 miles. And I am

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just wondering whether or not the community there or the Band Council has petitioned or requested assistance there for a winter road and they didn't have a road this year but whether or not maybe next year that they may have a road.

MR. ORCHARD: Well, Mr. Chairman, the Poplar River and Red Sucker Lake Bands both requested roads via Me-Ke-Si this winter and, as I explained, the same thing happened to Poplar River only less than what ended up happening with Red Sucker Lake. The federal government, it wasn't written in the original contract for Me-Ke-Si roads and they wouldn't entertain cost-sharing of it.

MR. ADAM: Is there any plans then that it may be in a program for next year for . . .

MR. ORCHARD: Not at this present time. Until we get our numbers put together with the federal government this summer, I have no idea whether we can include it.

MR. CHAIRMAN: 8.(b)--pass - the Member for The Pas.

MR. McBRYDE: Mr. Chairperson, I want to just add a note in terms of the history lesson of the Member for Inkster. The winter roads initially were winter cat-train trails and not roads at all and they were, in a large part in the northern area, developed by a fellow by the name of Hyde Johnson and another one by the name of Lindal; Johnson from The Pas and Lindal from the Interlake area. And then Sigfusson came along and started into moving truck transportation as well as cat train-transportation.

Mr. Chairperson, I wanted to also ask the Minister what his intentions are when the Me-Ke-Si contract runs out. The Me-Ke-Si in the past was the only instrument or construction firm being basically a native firm that was controlled by the chiefs of the area served by the winter roads, that the federal government would cost-share in.

Now, Mr. Chairperson, that makes it a little bit tougher for negotiations, because if you can't reach an agreement with Me-Ke-Si, then you don't get the 50-50 cost-sharing, so that means that Me-Ke-Si can get a little bit more out of you in terms of the price that they are going to charge you for building a road than you can with other contractors, when you can just switch contractors.

So I want to know what the Minister's thinking is and what his intentions are in terms of next year when the Me-Ke-Si agreement runs out.

MR. ORCHARD: First of all, Mr. Chairman, I want to make sure that we continue with federal participation on those winter roads. As is obvious from the increase in the appropriation, we anticipate that's going to happen because we haven't added in a loss of federal revenues. How we do that and how Me-Ke-Si fits in is going to be all part of the negotiations this summer. They have been a successful contractor; they have done reasonably good work and I don't have any reason to believe why they won't be continuing to do that. But we have to make sure, on behalf of the provincial taxpayer, that we do get federal cost-sharing on that. And if they are going to be an instrumental part of assuring that, then that will happen.

MR. CHAIRMAN: The Member for Churchill.

MR. COWAN: Yes, thank you, Mr. Chairperson. The Member for Inkster came in and started talking about the legalities of the road or under whose jurisdiction the roads are and whether or not they are roads in fact. And it reminded me of a question I had not anticipated asking during these considerations of the Estimates, but it seems timely now, in regards to Autopac, on coverage, on roads, on vehicles travelling on winter roads, can the Minister clarify whether or not that coverage extends throughout the period that the winter road is in place or whether or not that coverage extends only during the period during which the winter road is officially opened? In other words, the winter roads are closed today, I believe, or at least the announcement was that today would be the last day, a person travelling on that winter road, now, would that person be covered by Autopac?

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MR. ORCHARD: I have no idea whether the insurance carries on after the closing date of the road or not.

MR. COWAN: I'd ask the Minister to find out then, because it is a subject that has been brought to my attention by constituents. We had an incident earlier this year where a person travelling on the winter road went through the ice before the winter road was open, and had indicated to me that he was experiencing some difficulty in obtaining coverage for the damage that was done to his vehicle. Now fortunately that vehicle did not completely go through the ice and was pulled out and didn't suffer extensive damage, but it did suffer enough damage that one would have hoped Autopac would have covered that for him. So I would appreciate if the Minister could perhaps make some inquiries over the lunch break, and we can just deal with that very briefly when we come back at 2:30.

MR. CHAIRMAN: The hour of 12:30 having arrived, I'm leaving the Chair to return at 2:30.

Committee rise.

SUPPLY - NATURAL RESOURCES

MR. CHAIRMAN, Abe Kovnats (Radisson): This committee will come to order. I would direct the honourable members' attention to Page 75 of the Main Estimates, Department of Natural Resources, Resolution 100, Item 1. Executive Administration (a) Ministerial: Item (1) Minister's Compensation. The Honourable Minister.

MR. RANSOM: Mr. Chairman, may I say at the outset that I look forward to what I trust will be a constructive and positive review of the Estimates of the Department of Natural Resources under your Chairmanship, and I certainly would pledge to make every effort, that I will supply as much information as I can to the honourable members opposite and that I will not unduly make your task as Chairman more difficult.

I think that I would like to begin by . . .

MR. CHAIRMAN: Could I ask the honourable members for a little bit of attention and quiet, and we will allow the Honourable Minister to continue.

The Honourable Minister.

MR. RANSOM: The first item that I would like to deal briefly with, Mr. Chairman, is that of the reorganization of the department, and as the members are aware of course, last November the structure of the previous Department of Mines, Natural Resources and Environment was altered so that Mines went into a new Department of Energy and Mines and that Environment went into the Department of Consumer and Corporate Affairs and Environment, leaving the Natural Resources component as it existed previously within this department. But we had only a year earlier made some changes that brought the Parks Branch, Parks operation, into the department and the integration of that unit into the Department of Natural Resources was still under way last November and that continues to be the case.

We have been, over the past year, doing some reorganization within the department as well and I have some copies, Mr. Chairman, of the organizational chart as it will appear in the manual of administration, along with some very brief notes that also will appear in the manual of administration. I have six copies of that and I would be happy to make those available to the members opposite.

Just briefly, the intention of the reorganization that we have undertaken has been to accomplish a number of things, in general. One is that we have been seeking to get greater accountability within the department through the branch structure that we have established.

We have attempted to eliminate some redundancies that existed within the department because of similar services being delivered in more than one place within the department, particularly since we brought the Parks operation into Natural Resources.

We have been attempting to create a structure that would lead to the greater consistency in the application of policies and the delivery of programs throughout the province.

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We have made changes that we think will lead to more effective use of the personnel that we have in our department. We think that, for example, we will be able to bring more manpower to bear at the operational level with the same levels of staffing than previously has been the case. Just as an example, in our management of the parks officers and the conservation officers, although those two services will continue to be identified as such, they will be used to cover off in each other's areas of responsibility as the workload throughout the year allows that to take place.

If the honourable members would like to refer to the organizational chart, I just would like to say a few words about the senior staff that we have in the department that occupy some of those positions. And, of course, as you will all be aware, Mr. McNairnay has become the Deputy Minister of this department, a man who has served the government, the people of Manitoba well for a number of years and has accepted the challenge of being Deputy Minister of this department. The Assistant Deputy Minister is Dennis Surrendi, a gentleman who was recruited to the department over a year ago as Director of Fish and Wildlife and has subsequently been promoted to the position of Assistant Deputy Minister. The program, Evaluation Group, is headed by Wayne Fisher, a gentleman who has been with the government for some time. The Resource Allocation Group is headed by Dr. Doan, another gentleman who has had many years of service with the government and whom, I can advise the honourable members, will be retiring from government service, I believe, at the end of March this year. He has certainly served government well and we wish him well in his retirement.

The Forest Management Agreement's box there is occupied by C.K. Smith, a gentleman who formerly was with the Regional Services Operation. The Executive Director of Administration is Bill Podolsky, again, a gentleman who has been with the government for some time and who most of you will know. The Wildlife Branch director is Richard Goulden, who was promoted to that position last June from within the Wildlife Branch. Forestry Branch is headed by Harry Laws, a gentleman who has spent many years with the government. Fisheries Branch, we have recently, within the past few months, recruited Mr. Worth Hayden to be director of Fisheries Branch. He previously had some experience in the province a few years back and had been in the consulting business more recently.

The Lands Branch is headed by Arne Barr, again, a person with long experience in government and will be known to you all. The Water Resources director is Tom Weber, again, a gentleman of long service and will be known to all of you. Parks Branch is headed by Derek Doyle, a person who was just recruited to that position at the end of January of this year. He had spent a number of years in the private sector in a consulting field, working out of Manitoba, prior to coming to this job.

The Executive Director of Operations is Frank Berry, who transferred to the Department of Natural Resources from the Department of Highways and Transportation some months ago - close to a year ago, I believe. Surveys Branch continues to be headed by Mr. Roberts, again, a person who will be known to all of you.

Regional Services Branch is headed by Ernie Psikla, a person who was recruited within the past few months to the government service and has had extensive experience in the province of Alberta in a similar area of responsibility.

The Director of Engineering and Construction Branch is Bill Newton, who formerly was the Director of Operations in the Water Resources Division. I think, as we go through the Estimates, it will be clear the changes that have been made in the delivery of programs, such as Water Drainage Reconstruction programs, etc. Mr. Newton is now in charge of that branch.

If I could also refer briefly to the Estimates' format, Mr. Chairman, and point out to the honourable members that we have considerably more items, headings, included in the Estimates' Book this year. We have done that in an effort to try and make it more evident where some given program or subject would fall, and I think that the headings themselves should convey more information than has been the case in the past. I realize, of course, there's a certain hazard by creating a great many items to be dealt with, but I do hope that it will allow us to be able to identify more closely the subject we're dealing with and thereby to get a more constructive review of our Estimates.

I might make a request to the honourable members, Mr. Chairman, that if they have some information, some requirement for information of a detailed nature, and they are aware now, at this point, that they will want that information, if they

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would be kind enough to make that known to me when they respond to my opening remarks, then I will attempt to gather that information and either make it available to them as soon as I get it or at the appropriate point as we go through in our review of the Estimates.

Just again, briefly, in terms of an overview of the funds and the staffing, some of the highlights; there is, as will be evident, approximately a 12 percent increase in the spending Estimates of the Department of Natural Resources. The changeover last year, there is something in excess of \$2,200,000 as a result of salary adjustments. There were decreases in non-recurring items of over \$3,300,000.00. There are departmental reductions as a result of re-organization amounting to some \$1,400,000; then we have new and expanded programs to approximately \$8,700,000, and some adjustments made in transfers to the enabling vote and under NORTHLANDS program, come to a net difference of the \$5,610,900.

Some of the larger non-recurring items were, of course, the completion of some capital projects, that was in excess of \$2 million, payment in relation to the CNR Pine Falls subdivision over the floodway, payment of \$255,000 and a decrease in, what I assume is some non-recurring items in capital under the NORTHLANDS projects, as well.

In the area of new and expanded programs, we have substantial increase, of course, just due to the general cost increases, vehicle rates and general materials that are required for the operation of the department. That's an excess of \$700,000.00. We have a Forest Management and Renewal grant that is over \$450,000; there's an item for some contract work on legal surveys, in order to try and catch up on the backlog of outstanding legal surveys, a \$200,000 item there. Our flood risk mapping program under the flood damage reduction program is an increase of over \$400,000; the Value Added Agreement, which was signed last year and was discussed to some extent in Estimates last year, there will be an increase in funding there of over \$250,000; and there is a water development agreement which does not show in these Estimates, the money is being provided in the Enabling Vote under the Department of Finance, but this is a water management agreement which has been under negotiation with the federal government for over a year and we hope that agreement will be signed before too many weeks have passed; we have made some provision for it.

Within our acquisition and construction area we will be asking for approval for increased funding in the area of park development and reconstruction of drains. Those would be two of the major items. Others would deal with flood control projects; some improvement of the ring dike systems that exist in the valley towns; some initial funding for flood control projects at Carman and Gimli and Ste. Rose; some initial funding for water management programs, such as Pelican Lake.

I think that is just a very brief overview of some of the highlights of the spending. We will, of course, be providing details of those items. I'll be distributing some printed sheets later on so that you'll be able to refer to those.

But, in general, Mr. Chairman, I think the policy thrust that will become evident as we go through the Estimates, would be that we are attempting to give emphasis to our park development, not only through the expenditure of increased amounts of funds for capital projects, but also to bring about a more positive co-ordinated approach to the management of parks. Members will be aware that we have announced and made commitment to the development of master plans. I'm sure we'll have some discussions over that item, because the Honourable Member from Rupertsland feels that some of that work was already committed to previously, but we are at least increasing, I believe, the commitment in that direction.

Flood Control and Water Management is one of the other areas we obviously are placing increased emphasis upon; and in general, in the areas of Resource Management, I think it will be evident that we are trying to put systems in place that will allow us to manage our resources according to identified needs and in response to government policies. Now that's a very general kind of statement, but I believe that those ministers or those members who previously have been involved, had the responsibility for management of the resources in the province will know to what I'm referring.

I think with those few brief opening comments, Mr. Chairman, I look forward to the discussion of my Department's Estimates.

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MR. CHAIRMAN: Item 2, Salaries. The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Thank you Mr. Chairman. The Minister's opening remarks were general, as he indicated he would be and brief, I believe, as he indicated he would be as well. Somewhat disappointing to me, however, since he did not really outline to the opposition and to myself, in particular, really identified some thrust as to what he is going to be doing. In fact, there seems to be a very great void in the area of policy. It seems to be the practice of this government, and this minister, in particular, to fly flags in certain areas of policy; I can refer to the fisheries fiasco as one example of that, whereby they announce an intended policy, fly the flag, so to speak, and when the flak gets too heavy and too hot for them they back off and they say they're going to have another look at it.

Well, Mr. Chairman, we had a similar example in the area of park development. The initial Minister of Parks in this province announced an ad hoc policy related to the Jarmoc incident and when that incident got too hot for this government they decided to back off on that one, with the result that we, as of this time, almost three years after the election of a Conservative government, still do not have a clearly defined policy of park development. And in particular, we do not yet have a clearly identified plan for the development of the Whiteshell Park. It was the main focus of the controversy in the area of the proposed Jarmoc development and in fact, as late as this fall, I understand the gentleman in question, Mr. Jarmoc, was still continuing to travel around the eastern side of Manitoba visiting with municipal councillors and The EastMan Regional Development Corporation, reeves and councils and so on, LGDs and councils and requesting them to pass resolutions supporting his proposed development. I assume he is going to take that as some kind of public support for his proposed development and deliver whatever resolutions he's convinced certain municipalities to pass to the Minister of Resources and that will be the way policy is developed in the Province of Manitoba.

Well, Mr. Chairman, it's highly unsatisfactory, since I know for a fact that this gentleman has been presenting these councils with inadequate information and certainly misinforming the councils as to the economic consequences and the environmental consequences of his proposed development.

So I'm hopeful, Mr. Chairman, that that's not the way policy will be developed in this minister's department and in the government, but I'm certainly not satisfied at all, that isn't the way it's going to be developed. There's certainly a danger of that.

We see that this minister, in developing policies, does not appear to be following any kind of co-ordinated or logical approach. In fact, every case that has come to our attention has indicated that this government is, at best, reacting to powerful interest groups in terms of the development of policy. They do not have a mechanism established whereby they can have a democratic input into the development of policy, and I can refer to a few specific areas to illustrate my point. The park development policy is one area where the original intent was to simply commercialize parks. I believe that was their intended and express policy when the Minister of Parks was the Honourable Member for La Verendrye; I believe that they backed off on that when they saw that the people of Manitoba weren't prepared to accept that kind of ad hoc policy development, but they still haven't got their act together, Mr. Chairman, to indicate to us what policy they will be following in the future. Almost three years has gone by now in that area, and nothing has been done.

In the area of forestry policy, Mr. Chairman, we saw that the Progressive Conservative government was prepared to bow to the interests of one single large corporation operating in the province of Manitoba, and that is the Abitibi Paper Company. When we were in government, Mr. Chairman, we had a policy whereby the government had the control of the resources and allocated the resources to the Abitibi Paper Company. According to that company's needs for resources we guaranteed them that they would have sufficient resources to operate their mill and we signed an agreement with them which required them to pay a fair rate of return on the forestry resources that they were using. This government, Mr. Chairman, rescinded our policy, gave over complete and absolute control of the resources on the east side of Lake Winnipeg, all of the forestry resources over a vast area of Manitoba, to the Abitibi Paper Company, and people are just beginning

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to realize now that that is happening. Farmers from the Lac du Bonnet area have come to me in the last year and said, what is going on? We have to now go to the Abitibi Paper Company when we want to cut some fuel wood. What's going on? We have to go to the Abitibi Paper Company when we want to cut some rails for fence posts. What's going on? Before we used to go to the government and ask for these things, we went to our local conservation officer and requested a permit, and received a permit to go and cut fuel wood and rails and all the other things that the individual residents of the area use the forestry resources for.

Now, Mr. Chairman, these same people have to go hat-in-hand to an international corporation that controls all of the forest. And I think, Mr. Chairman, the government is reneging on its responsibility here, because the forest is not only to be used for a single corporation and the interests and needs of that corporation; it's to be managed and utilized for the benefit of all Manitobans, and the government in this case is reneging in its responsibility in the area of revenue because they've reduced the revenue that's coming from that particular corporation by reducing the royalty rates from some \$9 a cord to, I believe it's \$2.50, which is the same rate they were paying in 1925. Mr. Chairman, this is ludicrous.

And they've reneged on their responsibility to the people of Manitoba, and particularly to the people who live in that area, when they are forcing those people to now go to an international corporation to get a permit to utilize the forestry resource.

And what about all the other uses of the resource that are non-commercial, the aesthetic uses of the resource, the protection of the riverbanks and waterways and the protection, the set-off and buffer zones that are required to be established, that should be established between a roadway and where the cutting area is, or down a scenic waterway and where the cutting area is. Mr. Chairman, that now is almost completely in the hands of the company whose interests are purely commercial. Their interests are not to protect the beauty of the waterways and the aesthetics of our highways that travel through the remote areas of Manitoba.

So Mr. Chairman, those are two areas, and I can mention a third and I alluded to it earlier, and that is the fisheries policy. Mr. Chairman, it's very obvious to fishermen of the province of Manitoba that this government is prepared to establish policy in the area of fishing by listening to a very select group of people, a very small group of aggressive greedy fishermen, who want to gobble up most of the licences in Manitoba, and possibly they're being even lobbied by the old fish companies that are still hanging on in Manitoba hoping to break back into the industry. And Mr. Chairman, the proposed fishing policy, the fishing licensing policy, can only assist these groups, and it can only be to the detriment of the individual fisherman who is now fishing in Manitoba, and in particular to the detriment of the communities that depend on fishing as their primary economic base.

Let me give you an example, Mr. Chairman. The fishermen in a small community like Matheson Island on Lake Winnipeg, which is in my constituency, object to this policy. They were never consulted on this policy. The department's representatives that were sent out to meet with the community to inform them of the policy made it very clear in the meeting they had with the fishermen that that's what they were there for; they were there to tell the fishermen that this is the way the policy is going to be. This is the policy that has been decided by the Minister and who knows who exactly were lobbying him for this policy, but it certainly wasn't those fishermen in Matheson Island that are representative of individual small business-type fishermen all over the province of Manitoba.

Mr. Chairman, the fears of those fishermen I believe are valid. One of their fears was, and is, that if this policy of allowing the sale of fishing licences to the highest bidder, with no restriction on the number of licences that an individual or company can buy, will result in the ultimate destruction of a fishing community like Matheson Island, because as fishermen retire, Mr. Chairman, it's only natural, as with any other small business in Manitoba, whether it be farmers or forestry operators or whatever, if a small community like Matheson Island and the retiring fishermen are allowed to sell their licences to the highest bidder. What will happen is that people from outside the community will come in, buy up the fishing licences with no intention of living in that community and making a life in that community, they will only come into that area during the fishing season to take their quota that they buy which is attached to the licence; and

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after a period of years, Mr. Chairman, the fishermen feel that the economic base of their community will be wiped out. I think that's a very valid fear.

And they also fear, Mr. Chairman, that their control of the industry now through their co-operative, which they established and which they operate - and which they do a very good job of operating, I might add - they fear that their co-operative will lose the control of the resources in the area to private interests outside the community. They fear that the private fish companies may come in and be using someone as a front man, so to speak, to buy up licences in that area. And eventually, by control of a number of licences in the Matheson Island area, they would then establish their own packing plant, which the fishermen now operate in that area, which they make the profit from through their collective efforts.

Mr. Chairman, this Minister heard all of those kinds of complaints - I'm sure his staff who went around to these meetings reported these things back to him - and he was adamant, Mr. Chairman, in a remark to the CBC radio program he indicated that regardless of what the fishermen said he was going to proceed with this policy anyway. Because I believe, Mr. Chairman, this Minister was only feeling responsible to the small lobby group who had lobbied him of a few fishermen from a particular geographic area, and possibly a group of people from the old fish companies that operate in Manitoba. This was the group that the fishermen felt should be the main influence in establishing fishing licensing policy in the province of Manitoba. He had no concern for the democratic right of fishermen to be able to influence the kind of policies that they would like to see in their industry, because he was in effect telling fishermen, through the group that was going around to the communities, that this is the way it is going to be; we have decided this already, we are just coming out here to tell you how it is going to work.

Mr. Chairman, fishermen all over the province of Manitoba were furious and they called me, I am sure they called the Minister's Office. Some of them told me that they had called the Minister's office and they were told the Minister didn't have time to talk to them, they would have to talk to the Director of Fisheries. If they wanted to make representations they had to make them to the Director of Fisheries; and they would call the Director of Fisheries Office and the Director of Fisheries would tell them, well, there is nothing I can do, the policy has already been decided.

So, Mr. Chairman, they had a Catch-22 situation here. There was no way in which they could feel that they had a possibility of influencing this policy. Luckily, Mr. Chairman, for the fishermen, a Federal Election came along, a Federal Election. Suddenly we had a change in the attitude of the Minister, almost a reversal within a period of a week or two; suddenly he was going to take another look at it. Why was he going to do this, Mr. Chairman? Because there were obvious very strong reactions against his policy all over the areas where there were fishermen representatives, where there were fisherman operating, and there happened to be about two or three federal seats that were in danger as a result of this Minister's callous treatment of the fishermen of Manitoba.

One of those was the constituency of Churchill, where I might add the final result of the voting there the PC candidate ran third, where he was the incumbent only two elections ago.

Another constituency, a federal constituency, was the constituency of Dauphin, where I understand the feelings of the fisherman were running so high that in meetings that the Conservative candidate attended he was hissed and booed by fishermen in the meetings.

In the constituency of Selkirk-Interlake, I am sure the Minister got calls from the candidate in that area saying, what are you doing, you better back off on this policy, they are killing me out here. Mr. Chairman, that is exactly what the fishermen were doing, not literally but I mean politically, the federal candidates in those ridings were being killed by this Minister's policy in fishing. Because the fishermen were not only protesting it themselves, there was the fisherman's families, their friends, and other concerned people in the constituencies that saw how callous and cavalier this government was with respect to their democratic rights and their right to have a say in how the policy of natural resources are developed in the province of Manitoba.

So, Mr. Chairman, this Minister framed a very careful press release in which he said we are now going to have a second look at this policy, we are suspending the implementation of the policy which is intended to be established as of June 1st. So he attempted to walk a very narrow line between those who were absolutely completely opposed to this policy - and that is the largest group, the majority, the vast majority of fishermen - and that small little group that were lobbying him for this policy. Mr. Chairman, we know who that group is; the fishermen are no fools, they know who that small group is that is lobbying the Minister. Mr. Chairman, the fishermen do not trust this government and this Minister anymore with their fishing policy, because they realize that this Minister is not looking at the vast majority of the fishermen and deciding, in discussions with them, what is best for their industry and what will be best for them in the way of regulations and policies for the future.

They have a Fisheries Advisory Committee which was established by the Minister who was there before and, Mr. Chairman, they are not listening to that group, because that group certainly hasn't been backing this policy. People from that group who have talked to me have said that they are shocked at the attitude of the Minister, they can't seem to get through to him, he doesn't seem to want to listen to them when they make recommendations to him. I can quote the words of one fisherman who talked to me, he say, "I can't talk to that Minister. I can't get through to him." Mr. Chairman, this is the way that this government and this Minister establishes policy in the resource area in the province of Manitoba.

In the area of parks they listen to the private interest groups that want to commercialize our parks. They are prepared to sell our our ecology and our environment to those private interests.

In the area of forestry they are prepared to listen to the Abitibi Paper Company and let them run the forests in the area in which they operate, let them have all the control and all the say and everybody who lives in that area has to go to them to see what crumbs the Abitibi Paper Company will give them in the way of being able to cut fuel wood or fence posts or whatever.

And in the area of fisheries policy, Mr. Chairman, this Minister is prepared to allow a small lobby group to decide what the policy will be for the fishermen of the province of Manitoba. We know who they are. There is a very small group in the community of Gimli that have lobbied this Minister and we know that because the M.A for Gimli, who is the Minister of Education, in his maiden speech in this Legislature said that he was going to talk to his colleague, the Minister of Resources, who is not this Minister at that time, the former one, and he was going to get him to change the fishing policy, because he has made a commitment to a particular group in his constituency, in the town of Gimli. And that is the group, Mr. Chairman, that are pushing for this policy. They are an absolutely small, unrepresentative minority in the fishing industry in Manitoba because there are other fishermen in the community of Gimli who are not following this policy, who are not prepared to recommend this policy, that have passed resolutions against this policy; so they are a small group even within that community. But that is the group that the MLA for Gimli made a commitment to, a political commitment. And he couldn't convince the former Minister to follow this policy, the former Minister didn't go along with this, realizing that it was political folly to do this; but this Minister, following his approach in other areas and the general approach of the Conservative Government to only listen to private and small lobby groups, the powerful lobby groups, Mr. Chairman, this Minister seems prepared to go along with this policy and the recommendations of his colleague, the Minister of Education.

MR. DRIEDGER: . . . the minority as well as the majority.

MR. BOSTROM: Ah ha, the MLA for Emerson says we care about the minority.

MR. DRIEDGER: As well as the majority.

MR. BOSTROM: Well, Mr. Chairman, the only minority this government is concerned about in any way are not the underprivileged or the deprived minorities. This government seems prepared only to look after the rich and powerful minorities. It is very obvious. Mr. Chairman, that is one group in our society

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that doesn't need the help of government. Surely, we don't have to have a government with all of its power and its influence to help a privileged minority group, a privileged and already powerful economic group in our society. We don't need the power of government to help these people. Surely, Mr. Chairman, it is the responsibility of government to look at the vast majority of people and in consultation with that vast majority work out policies that are consistent with the benefits and needs and desires of that vast majority, not to simply govern for the special interests groups in our society. Mr. Chairman, we see that in every aspect that I have discussed so far with this Minister's department.

Do I have a time limit on this, Mr. Chairman?

MR. CHAIRMAN: You have six minutes left.

MR. BOSTROM: Thank you. I have a number of other issues that I want to discuss which relate to the management of this Department in general and I would like to touch on those before my time is up.

Another area that I can refer to, Mr. Chairman, is the area of trapping of furs in the province of Manitoba. Even in this area there is a contrast which can be pointed out between the New Democratic party approach and the Progressive Conservative party approach to the management of our resources.

The NDP, Mr. Chairman, when we were in government assisted the trappers of Manitoba to organize the Manitoba Fur Trappers Organization. We assisted them in having meetings; we assisted them in negotiating a joint federal-provincial funded program to assist them to increase their harvest of the furs in Manitoba. It was called The Wild Fur Agreement. It became a model for other jurisdictions in Canada who were looking at increasing the harvest of their resources. And we were assisting them, Mr. Chairman, in negotiating for the possibility of purchasing the one fur auction that operates in the province of Manitoba, Dominion-Soudack Fur Auction, and the trappers were looking at the possibility of purchasing that collectively and thereby having the opportunity of getting a greater return from the revenue from their furs by controlling their price right from the field to the eventual marketplace.

Mr. Chairman, when the PC Government took over in 1977 I questioned the Minister at that time if he was going to continue to assist the trappers of Manitoba in their negotiations for the purchase of the Dominion-Soudack Fur Auction. As it turned out, Mr. Chairman, the provincial government refused to assist; the trappers failed in their bid to purchase the Dominion-Soudack Fur Auction. While they were in the process of negotiating for that, as some of you may know, the Hudson's Bay Company bought the Dominion-Soudack Fur Auction and the Hudson's Bay Company, Mr. Chairman, I don't need to remind honourable members, is one of the most powerful controlling influences in the marketing and control of the wild fur industry. They have a fur auction in Montreal; they have stores all over Northern Manitoba in most of the communities, and they have not been known in history for their fair prices to trappers on furs. If you read the history accounts of the fur trade and the handling of that by the Hudson's Bay Company, it hasn't exactly been a model of fairness and justice in the prices which they have paid to trappers.

So, Mr. Chairman, as a result of Progressive Conservative government in action in this area, and I believe as a result of their policy intentions, they have allowed the only fur auction in Manitoba to be taken over by the Hudson's Bay Company and thereby they have reduced the possibility, possibly eliminated the possibility, of the trappers in Manitoba establishing their own auction facility and thereby having the opportunity to get a better price for their furs. They have allowed the concentration of the fur industry in the hands of a very powerful company in Canada.

I believe, Mr. Chairman, just to point up, since I only have one minute left, that the few examples that I have been able to give, the direction which this government wants to go in the way of resource management in the province of Manitoba. They would prepare to see in the hands of a few, a powerful few. They're prepared to listen to that powerful few, that powerful minority, in terms of how they decide on policies. They're prepared to even assist those groups in society to control our resources and they're prepared to reduce the revenues from our resources, so that the people of Manitoba not only have the resources taken

away from them, but they no longer have a reasonable and fair return from the resources.

MR. CHAIRMAN: Would the Honourable Minister care to bring in his staff at this time? We are on the next item.

The Honourable Member for Inkster.

MR. GREEN: Yes, Mr. Chairman, I'd like to speak on the opening comments which the Minister has made and to indicate, Mr. Chairman, that it seems that the Minister has been relieved of some rather heavy responsibilities, in that he no longer has responsibility for environmental protection, he no longer has responsibility for the mines branch and he has had returned to him the responsibility for lands and parks and forestry. I guess that has been the substantial changes between his responsibilities last year and this year, with the exception of the fact that he, of course, has been given ministerial responsibility in other committees. And I therefore, Mr. Chairman, don't suggest that there is any demotion whatsoever to the Minister, as a matter of fact, I think that he has been elevated by the change in responsibilities, but I do note that the Environmental Protection Branch is now in another department, as is the Mines Branch.

I therefore, Mr. Chairman, wasn't quite certain as to when a question, vis-a-vis the Garrison Diversion was raised; whether it would be answered by the Minister of National Resources, or whether it would be answered by the Minister for the Environment, because it was previously the case in the department that that particular aspect of matters was dealt with by the Minister responsible for environmental protection, but I gather that the Minister is still responsible, as Minister responsible for Water Resources and Mines, for whatever governmental activities are available in the area of the Garrison Diversion. Well, the Minister indicates that they will both be involved, so then, at least, there is no doubt that he will be involved.

On that particular issue, Mr. Chairman, and I raised the matter in question period because I believe that there is a serious trap that the Government of Manitoba and the Government of Canada could fall into, with regard to negotiations and with regard to protecting the interests of the citizens of Canada vis-a-vis the Garrison Diversion. And that trap, Mr. Chairman, is to abdicate responsibility in favour of so-called citizen groups, who claim to be the only ones who are concerned in this area, who say that everything that the governments are doing is bad and who say that if we are to be protected we are to be protected by these groups. And of course, Mr. Chairman, the same thing was being advocated during the period of the previous administration. And one of the particular advocates of that position was the former member for Fort Rouge, who seemed to suggest that anything that was done by elected governments was bad; anything that was done by self-appointed spokesmen was right and that the self-appointed spokesmen who did not have to get up and answer in the house, who did not have to accept responsibility for their statements, who did not have to go to the people for their appointments, were the ones who should be making the decisions in this area.

Now, Mr. Speaker, let me make it clear that I respect the rights of every citizen to pursue his position and if he thinks he's pursuing the position of all of us I don't wish to deflate him in that connection. But the fact is that the people will be best represented in this particular problem by the elected representatives of the people and much, Mr. Speaker, as I don't agree that the Conservative Government is the government that should be there, it happens to be there at the present time and regardless of how clever any of us think we are, I am certain, Mr. Speaker, that we will get no better results in terms of protecting our environment than we will get from our elected representatives, both at the federal or provincial level.

Now, if the Minister came in and said to me that he doesn't care what happens with the Garrison Diversion and he's not going to take any steps with respect to it, I would then attack the government on the basis of the fact that they are not doing this. But I would not believe, Mr. Speaker, that we would be better protected by another group. And in particular, Mr. Chairman, and when I say that there is a trap, in particular, we should not be in any way associated with, as a matter of fact, I would even go further, we should disassociate ourselves with any suggestion that taking court action in the United States by citizens groups is

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a way of protecting the people of Manitoba, vis-a-vis the Garrison Diversion. Because if there is any suggestion that we are associated with those groups, someone in the future will say that Manitoba chose to take its position to court in Bismarck, or where have you. And when the judge in Bismarck rules that we don't have a case, that we have submitted to the jurisdiction of that court. Now that may sound far fetched, Mr. Chairman, but the fact is that the citizens who are pursuing this course of action claim to be representing the people of Manitoba and if they are submitting our case to a judge, they could be said to be submitting our jurisdiction on the question to the judge. And indeed, they asked me to do that; they asked me to put the Province of Manitoba into the hands of a Bismarck judge as to what would happen, and of course, we didn't respond to that kind of insanity and said that we would deal with the International Joint Commission.

And we did, Mr. Chairman. And I want to indicate that in every dispute there are two sides. And Manitoba and Canada have to proceed on the principle, that's a very old principle, Mr. Chairman, which I believe in very strongly, that one has to do unto others as they would have others do unto them. And we cannot put ourselves in the position of setting standards for what can happen in the United States that we are not ourselves prepared to live up to, because water flows north and south and it flows both ways, and other qualities of Canadian and American relations flow both ways. And we have now, Mr. Chairman, a situation in Saskatchewan where the International Joint Commission is dealing with a problem of waters flowing from Saskatchewan into, I believe it's Montana, but howsoever, it's in the United States. The Souris River also happens to flow from Saskatchewan into North Dakota, and we have to be very careful that, yes, we protect ourselves but that we not become completely jingoistic. And I think, Mr. Chairman, that that is the basis of our success with the Garrison Diversion, and we have achieved success.

We have found that the International Joint Commission has said that certain programs would not be acceptable. That would never have been the case, Mr. Chairman, if we had taken the position that anything that happens in Garrison, if we had allied ourselves to the groups in the United States who happen to be fighting Garrison because they don't like the program in the States, that's their business. And I say that I take no position one way or the other, but it's not our business.

So I want to urge the Minister, and in so urging I will remind him that he too weakened the credibility of Canada vis-a-vis the International Joint Commission because on the Rousseau, which we never approved of but which the International Joint Commission made recommendations on, the Minister said we are not going to accept those recommendations. Now if he says that he won't accept the recommendations of the International Joint Commission, then I imagine Governor Link will say, "Well, what's good for the goose is good for the gander". If Canada now says that they don't care about what the International Joint Commission says, then it seems to us that we shouldn't be going through this procedure. And there is no way, Mr. Chairman, there is absolutely no way that Canada can take the position that no program of irrigation work in the United States, or flood protection, is acceptable to Canada if it has any effect.

And if we take that position we will abandon the Boundary Waters Treaty, we will abandon the International Joint Commission and we'll be in the position that many other countries in the world are in, and that is that they just do whatever they want. The Member for Emerson should understand that. We can't stop the United States. They could do whatever they want. What we have to do is make them want to do things which don't affect us. And the way we have done that is we said we'll do it in a civilized way, we will have an International Joint Commission; we will make presentations; we will get the Government of United States to understand us and we will understand their rights. And those people who detract from that are asking for trouble and that's why I tell the Minister that our job is not to abdicate and say, "Oh, we have put it into the hands of Citizens against Garrison". I don't know who these are. I know that I have a government that is against causing Manitoba to be hurt by the Garrison Diversion and I would like my government to do that and not abdicate the responsibility to somebody who I can't ask questions to, who I can't challenge, who I can't vote out of office, which is the best protection that I have that our rights will be protected.

Mr. Chairman, there are other aspects of the Minister's department that are very very sensitive despite the fact that he has no longer responsibility for some areas that used to be sensitive, there are some areas that are extremely sensitive. And I note, Mr. Chairman, that the Minister is responsible in the area of the Indian land claims. Mr. Chairman, I say with some degree of certainty and conviction, that this area may be the most sensitive and the most difficult and the one which is again fraught with potential horrendous hazards if it is not dealt with in a way which is sensible to all of the people of Manitoba, all of the people of Canada, and not based on what is said by a particular group, Mr. Chairman. Because there is, and has grown over the last several years, and it's not essentially in my humble opinion, an Indian movement, it is a militant movement of another kind which purports to set out that the best way of solving problems of people of native descent, Indian, Inuit, Denest, is to create new nations throughout Canada where these people would have sovereign rights and where they would live in a kind of apartheid community which we tend to discourage and to condemn when it is practiced in South Africa.

And I have heard these views expressed, Mr. Chairman, not only philosophically but I have seen them in action. And what the federal government did, or attempted to do, and did succeed to some extent because of the weakness of the Progressive Conservative government, is to try to create the notion that there is an Indian sovereignty in northern Manitoba comparable to an Indian sovereignty in the Northwest Territories, and that whether or not the public will be able to do something, will depend on a veto power on the part of this particular group on the basis of their quasi-state rights. It is a suggestion, Mr. Chairman, that we give official sanction to a form of racial separatism amongst part of our population in northern Manitoba. It is the kind of thing, Mr. Chairman, which is pretended to be suggested in all good intention on the part of retaining culture, on the suggestion that people will be left to govern themselves and will be able to make their own decisions.

In effect, Mr. Chairman, it's the kind of philosophy that was adopted many, many years ago when the white man came to North America and said that the way of dealing with the native population is to talk to their leaders, promise them a certain area of land, promise them a certain amount of compensation every year - and those things are contained in the treaties - on the basis that they would live their life and that society would no longer be interested in them and they would no longer be interested in society.

Well, the difficulty with that proposition, Mr. Chairman, is that the world did not stand still; western civilization came to North America and what we did is to create the worst of both worlds. Since western civilization could not help but have its effect on the people who it encroached upon - and I'm not making a moral judgment on that encroachment, because I don't think one can be made - the essential qualities of that culture were made very difficult, if not impossible, to maintain and no bridge was given, in order to enable these people to live within the mainstream of society.

And the results, Mr. Chairman, are evident from statistics. If one goes to the lowest economic group, if one goes to the group that has the highest number of people in the penitentiary, if one goes to many other social indices, they can see a recognizable group of people. And reinforcing, Mr. Chairman, or again recreating what was done when the reservations were created is not going to solve the problem; it's going to aggravate the problem.

When I see on the Minister's Estimates, Indian Land Claims, I want to immediately, Mr. Chairman, put this caveat on those claims. Because the strategy of some people now is that Indian land claims will be not a claim for the purpose of having an economic area which they can develop - which I agree with entirely, and I don't care about the number of acres - on the basis of developing an economic base for the purpose of improving the lot of the people in the area. I would ignore the acreage, Mr. Chairman, because the number of acres up there can take care of that. But that's the strategy. The strategy is to be in a particular area which will eventually result in public development. And when that public development is attempted to create the Northern Flood Committee to say, we have a veto power and we are going to hold up this development until our claim is settled.

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Mr. Chairman, the former Minister, the former government told the Minister of Indian Affairs in Ottawa, and Mr. Chairman - I have been defeated as a government member, and that's not easy to take, I'll admit. I'll be one to admit that I'm not happy when I'm defeated. I prefer to get elected than get defeated. I hear a lot of people say, oh, when I got defeated, it was the greatest thing that ever happened to me, a great relief; I've lived a new life. Mr. Chairman, I don't want to get defeated; I prefer to get elected. But one of the things that Mr. Trudeau did very well is to not reappoint Warren Allmand and to not reappoint Judd Buchanan, because both of these people, Mr. Chairman, inspired and paid for semi-insurrection in the province of Manitoba for the purpose of financing the Northern Flood Committee, that they were financing a group for the purpose of challenging the Manitoba government because they couldn't, Mr. Chairman, have the guts to deal with it on the basis of their own jurisdictional responsibility, which they were responsible.

We offered, Mr. Chairman, to deal with the federal government, which is the government responsible for dealing with its citizens, including those of Indian descent. They said, you will deal with the Northern Flood Committee and make the deal with them.

And what is going to be suggested with regard to these Indian land claims, Mr. Chairman, is that a certain number of acres be turned over on the basis that it constitutes a reservation. The former Minister, the present Member for Rupertsland, myself, the members of the New Democratic Party government - the information will be on file - told the Minister that from now on there will be no transfers of land except on the understanding that if the public at any time wants to engage in a project which has to go through these lands, it will not arbitrarily do it but it will provide compensation and give other lands for the lands taken, but there will be no veto power, and there will be no sovereignty, and there will be no state status.

Mr. Chairman, that, to my mind, is the area in which the Minister should devote his greatest attention and should not be pushed around, either by one group or another, and secondly, he should not buy out the responsibility, which is what we did when we dealt with the reservations in the fashion which I have suggested.

There will be further opportunity to discuss this matter when we come to the item on the agenda but it is a matter which I wish to highlight during these opening remarks. I also, Mr. Chairman, wish to concur with what was said by the Member for Rupertsland, and maybe I can add some comments, with regard to the fisheries policy, and I again, Mr. Chairman, am one who is familiar with it. The Member for Rupertsland will have recalled that the method of allocating fishing licences to various people in the province of Manitoba and letting them fish for a certain quota was one which itself was difficult and which caused a great deal of controversy but, Mr. Chairman, which we went ahead with, despite the controversy.

You know, the Minister can say he's going to do the same thing. And I am not certain that the way of solving this matter is solely a matter as between the fishermen. It also, Mr. Chairman, is a matter as between all of the citizens of the province of Manitoba and their objectives in the area of fishing. Because the danger with the Member for Rupertsland's position, in my opinion, is that the Minister will get the consent of the fishermen, and I'll show you how he will get the consent of the fishermen. He's going to say to the fishermen or his officials, or certain of the bigger fishermen will say, look, right now you've got a licence. You can get a quota. That quota is going to give you \$600 or \$700 a year. Or it may give you \$1,500 a year, depending on which quota it is. It's not a lot of money, and you've got to buy a boat, and you've got to make a certain amount of investment. Every year you're going to be going out fishing. You agree with the Minister's policy, and I'll buy your quota. You can't sell that now, but I'll buy it. And instead of going out fishing, you'll have bucks in your pocket.

Well, Mr. Chairman, there are people who are going to do that. There are people going to do that. What will be the result of that policy? The result of that policy is that there will be, let us say, 100 quotas and somebody will go up and buy up the quotas and then there will be 10 quotas. And a certain number of people will have had bucks in their pocket which will probably last a couple of weeks, a year at most, and then they will be saying, we have no quotas and we have no fishing rights.

Now, Mr. Chairman, this is the basic difference in philosophy as between the New Democratic Party and the Conservatives. They believe that everything that we have has to be owned by some individual. If there is a lake, let's divide it up; it'll be owned by individuals. If there is farmland, let's divide it up; it will be owned by individuals. Nothing should be owned collectively and used by individuals for income. If he doesn't own it, he can't use it.

What we have said is that there is a lake. There is a certain amount of resource in that lake. There are people living there. There is income to be made, and we want to make sure that a certain amount of income is made by the people who live around that resource. That cannot be insured by the Minister's policy, Mr. Chairman. It cannot be. As a matter of fact, he will destroy the capacity of those people to earn income on that lake. He may get the fishermen's consent but he will be doing something, Mr. Chairman, which if the public did it, we would be condemned no end.

Now what would happen if today, instead of the fishing policy that had started, we had said, those quotas are worth something. We're not going to give them out to the people on the basis of points, and what we did, Mr. Chairman, so that you will understand, is we said there is a certain gross quota that can be divided up amongst a certain number of fishermen and we will take the fishermen on the basis of their having established a livelihood as fishermen. And as soon as any of those come off, we didn't sell a licence, we said, the next person is entitled to it; he's entitled to go on that lake and fish.

MR. CHAIRMAN: The member has four minutes.

MR. GREEN: Mr. Chairman, what would the Opposition have said? What would the Conservatives have said, if we said, we've got 100 licences, we're going to sell them and take into public revenue the amount that those licences are worth. They'd say, you're charging people for the right to go and fish on the lake? You're taking government and depriving these people of it? But they're going to let the private person do exactly that. They're going to say, what you have got for nothing from the state, you are entitled to sell a piece of that lake to somebody else and keep the money for yourself.

By what right does this person own a piece of the lake? What did he do to earn a piece of Lake Winnipeg so that he can charge another citizen for it? Because that's what they're doing, Mr. Chairman, and they will do it, and it will be bought, because the moment that any of these fishermen gets into any financial difficulty - and a lot of them are not people with a great deal of money - they'll say, I've got an asset, I own a piece of Lake Winnipeg, I'm going to sell it to John Ateah. I don't know whether these are the people who are pushing for it, but I know that Mr. Valgardson and Mr. Ateah were the ones who were upset about the former policy, so maybe they were the ones who came in and said, look, we have to have a change. But they will buy the licences.

It's almost like Bill Bennett saying that he is going to transfer what is owned by the people of British Columbia to the people by giving them shares. It's an interesting concept. After two or three years, who will own those shares: The people of British Columbia? No, a small number of them who will buy them up. And what happens when somebody is born new; the day after the issuance of the shareholders, you have a new person born. What does he get? It's all distributed, Mr. Chairman.

This is the kind of philosophy, Mr. Chairman, that is engaged in by the Conservative government and, by the way, I don't think we can change it, even if we were in government, overnight. But with regard to land, all we wanted to do was set up an alternate, and with regard to licences, what the Conservative government is doing, Mr. Chairman, is giving a group of private people value in our lakes which they have done nothing to earn, which will have been none of their labour content gone into it; they will merely take and attach a value to what is owned by all of us and I'm not talking about their work on the lake, I'm talking about the resource of the lake which is owned by all of us. So I would certainly, Mr. Chairman, concur with what the Member for Rupertsland said about the fishing policy and I just add one dimension, if I may, that this policy is not merely one for the fishermen to decide upon. All of the people in Manitoba are affected by it. We should not permit a piece of Manitoba to be sold as a franchise from one

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citizen to another because that doesn't belong to that person it belongs to all of us, Mr. Chairman, and we should not permit that kind of potential sale of a Manitoba resource by an individual which he doesn't own.

MR. CHAIRMAN: The Honourable Member for Transcona.

MR. PARASIUK: Mr. Chairman, I rise to join in on this debate in that I share the disappointment of my colleague in that the Minister really hasn't provided a strategy of public resource management and development. I think he doesn't see himself as really being the owner of the resources and that's what the people of Manitoba are, we are the owners of the resources. The government tends to see themselves as the trustee and they quickly grant virtual ownership rights to too many other people, primarily multinational corporations and this is especially true with respect to the case of Abitibi and the forestry resource.

Mr. Chairperson, this government doesn't have a strategy towards dealing with companies that come forward wanting in a sense to negotiate virtual ownership rights over resources from the government and the government is very weak, has a very weak hand in dealing with them. I think that was shown in the negotiations with respect to Abitibi. The province owns the resources and that is its ace in the hole. Its ace in the hole is that it owns the resources. The resources cannot be moved, taken out of this province, without the concurrence of the province. And it gives up that right too easily and it gives up that right because it wants some development to take place. And then what does it exchange for that development? So many studies have shown that in the past governments have exchanged so many benefits to private companies for that development that the province or the people of the province have ended up in a net loss situation. That's happened before with mining companies; that's happened before with forestry companies. And forestry in Manitoba if not handled correctly is a non-renewable resource.

The reason why a province, I think, has to be very careful in managing its resources is that society today, around the world, faces the dilemma of dealing with very large companies who have operations taking place in many many countries and have a whole set of profit centres, and in a sense play off countries against each other trying to get the best return on their investment. That usually happens with respect to mineral development; that usually happens with respect to petroleum development, but it also happens with respect to forestry.

We are fortunate that we have some forestry resources in Manitoba. We are unfortunate, however, in that this government has given away so many benefits to Abitibi as a type of bribe to get them to further develop that forestry resource when in fact they didn't have to give those away. The reason why it couldn't negotiate strongly with Abitibi is that Abitibi felt and knew that with this government there was no other alternative, that the government wasn't prepared to treat that resource as theirs and as such to work out another arrangement with another company or indeed to take over that plant and run it itself.

I think it's important for any owner, be it a public owner of a resource or a private owner of land, that the owner act as an owner and that the owner follow pretty tough bargaining positions in trying to achieve the greatest benefits. And it's not happened in the case of forestry; I don't think it's happening with respect to fisheries. You see this is where a province does have some leverage, unlike the difficulties in trying to deal with a manufacturing concern where labour and the raw materials and capital are quite portable and provinces or countries are caught in a very difficult bargaining position with respect to multinationals. The same doesn't hold true with actual resource extraction or resource development.

We witnessed a situation where Ford was jockeying between Canada and the United States, was jockeying with Ontario and Ohio and Michigan trying to get better deals out of them as to where the location of the next Ford assembly plant should be and they were able to get a grant of \$68 million from the federal government, augmented by grants from the Ontario government, to locate an assembly plant in Ontario. And this was seen as a tremendous success for the Canadian government and for the Ontario government. I think it's a tragic failure of policy because what it's done is that it says that you can bribe Ford once, but then somebody else can bribe them with more money at some other time. And with respect to manu-

facturing that is a problem that we are facing and I think it's a problem that will effect Manitoba as well in the future, because Alberta is putting together an industrial strategy based on their particular windfall gains right now from oil. They're putting together a pot of money and they will try and bribe a number of manufacturing companies to move to Alberta, and that is going to put tremendous stresses on confederation; they're using their windfall money from petroleum to induce manufacturers to come to Alberta; they will change their corporate taxation structure; they are now in the process of trying to collect their own corporation tax. And I think we as a province, and other provinces than Manitoba will find it difficult to deal with Alberta bribing other companies to go there. And that's with respect to manufacturing. I think we will run into some difficulties if they in fact try and bribe farm machinery manufacturing to go into Alberta.

--(Interjection)--

No, I don't want us to compete and I felt that last year I got some undertaking from the provincial Minister of Economic Development that we wouldn't in fact try and compete that way. That we would indeed try and approach the federal government and try and put a stop to that. Just as in Manitoba the New Democratic Party government put a stop to municipalities offering tax inducements as a means of bribing a particular company to locate in that municipality. Location should be determined on economic factors and if they're going to be determined on some other factors they should be determined in such a way that they will not damage one particular part of a country too much as opposed to the benefits that might accrue to another part of the country.

I think that's a tremendous strain that will develop in this country and on confederation and I think reflects some of the separatist and independent tactics of the Alberta government which in some ways are just as dangerous to this country as those of the Parti Québécoise in Quebec.

But when it comes to resource development Alberta can't bribe Abitibi to go there because we have the trees here. And they may in fact be able to bribe some forestry companies to go to Alberta for a few years but if they develop their forestry resource too quickly then it won't become a renewable resource it will become a non-renewable resource. So we do have leverage with various companies and some of these companies are national companies that want to do forestry development. We have a bit more leverage with them because they don't have too many other places to go. We have somewhat more difficulty in dealing with the multinational development company. That's why we have to develop that strategy with which to deal with them and we don't have one right now. We don't have one, we don't recognize it, this government doesn't recognize that is a problem in the world, that multinationals being able to play off one country against each other or play off provinces against each other or play off states against each other is a problem. This government doesn't recognize that and yet it exists. That problem exists and it's a very difficult one for us to deal with.

So I say it's important for the Minister to recognize that that is a problem and therefore to develop a strategy for forestry development in Manitoba which takes a long-run approach, which is based on the notion that you are the owner of that resource, that there are alternatives to Abitibi including other companies, that indeed if necessary it is possible to run that operation yourself as the owner, then you are in a bargaining position to deal with Abitibi. Then you won't be forced into renegotiating an agreement in such a way that the net revenue to the province is much lower. You won't be forced into renegotiating an agreement so that the effect is that, in a sense, Abitibi becomes the sovereign of that particular part of the province with respect to forestry resources, and other groups then have to go cap-in-hand to Abitibi. That is a short-sighted approach and it certainly reflects a lack of recognition on the part of this government of the long term problem that I think is facing economies in the world, all the world.

Because we witnessed the situation, Mr. Chairperson, of certain companies playing off provinces with respect to minimum wages, with respect to corporate taxation and you see this in the garment industry especially, where people said well the taxes are too high in Manitoba, we'll go to Porto Rico. If taxes are too high in Porto Rico or the wages are too high in Porto Rico then they'll go to Japan, then they went to Hong Kong, then they've gone to South Korea and now they're going up into North Korea, and they're going into China. The same thing holds true in western Europe. They've gone from Britain to Germany to France to Spain to

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Portugal to Hungary, always looking for the best short-term deal, always looking for some bribe, always looking for some incentive. Something over and above the business consideration of running a particular enterprise, always looking for that extra, following that path of least restraint. And its not done that much for those countries in the longer run because when the companies pull out of Germany then you've got higher unemployment; or when they pull out of Spain you've got higher unemployment; or when the pull out of the New England states with their garment plants to go down into North and South Carolina you have problems in New England.

I think that's a general problem that this government fails to recognize and is failing to deal with and I think that is a tremendous tragedy and I think that's something that I certainly intend to go after the government on as we go into the particulars of the forestry development. I think the same type of attitude holds true on the fisheries side. I think that possibly it reflects a particular temerity on the part of government in dealing with large companies.

I can appreciate some of the comments made by the Member for Inkster about the province being sovereign and the province not in fact bending over backwards and allowing that sovereignty to be deluded by bending over backwards to Indian groups in northern Manitoba. But unfortunately governments far too often in the past have bent over backwards and in a sense have shared sovereignty with big corporate interests in this country. And if you look at the particular rights over the land of northern Manitoba that have been given to Inco for a long period of time, they are far greater than the rights given, in a practical sense, to Indian and Metis people in northern Manitoba. So in a sense, what's good for the goose is good for the gander, and we've not done it, we've not done it with multinationals; we are doing far more, we are deluding our sovereignty far more with Abitibi, with Inco, with Hudson Bay Mining and Smelting than we have ever done with the people. And I think that's a danger. I think it's fine for us to get up and say, well you know, we're going to be the government, we'll be tough, we won't take into account the particular demands of those people, and the whole political process is such that we should, we should be taking their interests into account. And because they have been weak, because they haven't been that articulate, because they haven't had the same type of lobbying presence on a continuing basis, often behind the scenes, that the big companies have, we haven't taken their interests into account that much when governments have acted.

So therefore they've often turned then to sit-ins or some other more symbolic than powerful ways of getting their interests heard by government. Sometimes those are frustrations to government because they're embarrassments when a group come in and occupy the rotunda in the Legislature, but it's because the process isn't working, or the process of dialogue and consultation isn't working particularly well between governments and Indian people in northern Manitoba. And it's especially bad right now.

In contrast, however, the other major groups in northern Manitoba have very subtle and effective ways of dealing with the government. They invite the Ministers for dinner, they quietly talk about the different ways in which their interests are in common, they in fact do that and I'm quite certain that the Minister of Resources has probably, especially when he was the Minister of Mines and Resources, has probably spent more time in private tête-a-têtes with the heads of companies than he has with the Indian and Metis people of Manitoba.

And those people are, in fact, more impacted by decisions that are taken by this government, and that's the way the system operates. That's the way the system operates, it happened far too much in my opinion with the previous administration, and it's happening far more so with this particular administration. That happened every year, Inco used to have a meeting every year with government representatives to talk about how difficult and trying the economic times in the world were, how difficult it was. And I bet those meetings are still taking place right now, they probably take place every week. The meetings with Hudson Bay Mining and Smelting. --(Interjection)--Twice a week probably. I wonder how, in fact, Hudson Bay Mining and Smelting first got interested in the whole Tantalum deal in the first place if they didn't find out from one of these tête-a-têtes that the government wasn't interested in pursuing its opportunity to gain controlling interest of Tantalum Mines.

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So what's happened in fact is that Harry Oppenheimer in South Africa, who owns Hudson Bay Mining and Smelting, a fine man, --(Interjection)-- right, you must agree as well with his employment tactics as well. You must agree - fine man, fine industrial relations strategy, fine industrial relations strategy says the Member for Minnedosa. Fine company.

MR. COWAN: Shall we bring those industrial relations to Manitoba then?

MR. PARASIUK: Good corporate citizens of South Africa, good corporate citizens of Manitoba. The kind of developers we need, the kind of developers we need are very good concerned responsible world corporate citizen. --(Interjection)-- They didn't open it, that's the interesting thing. They weren't the ones that opened it. Anglo-American was not the company that opened it. Anglo-American was not the one who opened it. I can appreciate the Member for Minnedosa rising to the defence of multinational corporations. I can appreciate his rising to the defence, because he has no other alternative ways of developing the resources of Manitoba. He has to rely on them, he feels that they are the only ones with sufficient capital, he feels that they are the only ones with sufficient expertise, there are many other groups in Canada, Canadian groups in Canada that in fact have that expertise and can mobilize the capital. In fact, look at hydro development. Hydro development is a very good case in point. Did we have to use Harry Oppenheimer of South Africa to develop our hydro resources?

MR. BLAKE: He put up the money.

MR. PARASIUK: No, he never. He put out the money? In fact we relied on the people of Manitoba to develop the hydro resources of Manitoba, we've done that far more effectively than the multinational companies have developed the petroleum resources of Canada, and I'll stack up the performance of Manitoba Hydro and the benefits that accrue to Manitoba, through in fact some of the water rental agreements, I'll stack up those benefits any day, against those that have accrued to Canada and Manitobans as a result of multinational developments in the oil area.

I don't see the member now - if the member wants to get up afterwards he can get up. Not from his seat . . .

MR. BLAKE: Would the honourable member permit a question?

MR. PARASIUK: Yes.

MR. BLAKE: I just wondered, Mr. Chairman, the loan that Manitoba got to develop Hydro in March 1970, on a press release, where they borrowed the European units of account, it was handled through a consortium in Luxembourg, does he not suspect that some of that money might have been Harry Oppenheimer's money? It cost us 29.7 percent to pay that loan off incidentally.

MR. PARASIUK: I, in fact, acknowledge that when you go out and borrow money you're going to be going out and borrowing capital from different sources, but I do say that there is a difference between borrowing money and selling out. There's a difference between loans and equity. We retained control with Manitoba Hydro of that development, we retained control with Manitoba Hydro of the renewable resource, hydro. Now, if you take the Member for Minnedosa's logic further, and since we did have to repay that loan, it would be best in a sense to sell out a share of that development, to sell out a future share of hydro development to a private company, then you wouldn't have to pay back the loan; you'd get a lump sum payment which is what we do with mineral resources. --(Interjection)-- But ultimately you would have nothing is right.

So I wonder, since the Member for Minnedosa doesn't distinguish between loans and equity, whether indeed he is suggesting that future hydro developments be undertaken by private companies.

MR. BLAKE: Don't let Harry Oppenheimer give us the money we'll develop it.

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MR. PARASIUK: Is that what you're saying? Fine. I would suggest we do the same thing with forestry development. I'll let Harry Oppenheimer lend us the money and we will develop the forestry resource. It's the same way, at 29 1/2 percent. It depends on the viability of that particular resource, either mineral, forestry, or hydro-electric potential. And this same philosophy works there.

Now this man, the Member for Minnedosa, wants to be a socialist with respect to hydro-electric development, is desperately saying that we should be socialists with respect to hydro-electric development. So I'm saying that if he wants to do it for hydro-electric development, it makes sense for mineral development. It makes sense for mineral development. Yet this government is the government that said, we're not going to do that. --(Interjection)-- That's exactly what he wants to do. Ultimately, Mr. Chairperson, I suspect that the only way in which this government will be able to further develop the Nelson River is if they work a deal, or a sell out with a private company to finance the next project.

I think you'll find that it'll be a private company first; and if you look at your private utilities to the south, I am wondering whether in fact the government isn't at this time contemplating a private development of our water resource in northern Manitoba because they, themselves, are too afraid to undertake the borrowing of money to proceed with that next project and in fact will be relying on other people; not providing loan capital but providing ownership capital. And that's the difference and that's where I think this government has failed with respect to protecting our forestry resources; I fear for our fisheries resource; and, Mr. Chairperson, I certainly fear for what will happen in the hydro-electric development area.

MR. CHAIRMAN: We're 10 seconds from 12:30. The Honourable Minister.

MR. ENNS: Thank you. Mr. Chairman. . .

MR. CHAIRMAN: Order please. The hour is now 12:30. I am now leaving the Chair and will return at 2:30 p.m.